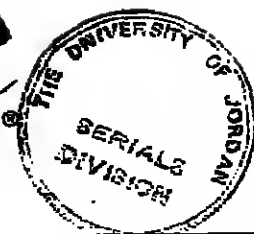


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Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST



The World's Daily Newspaper

Paris, Friday, February 10, 1995

No. 34,821

Russia Claims Victory, But Facts Say Otherwise

Fighting in Chechnya Highlights Cracks In Moscow's Fragile Political Condition

By Steven Erlanger
New York Times Service

MOSCOW — Once again, Moscow has declared premature victory in secessionist Chechnya. If Pyrrhus were a Russian, he would recognize the landscape.

In the ninth week of Moscow's full-scale invasion, the Russian military has claimed that the capital, Grozny, is finally taken. Defense Ministry officials say they are

"Chechnya has exposed and aggravated all the weaknesses of central and democratic institutions," a Western diplomat said. "It's just an enormous mess, a series of bad choices that got bigger and bigger."

In fact, according to Western reporters and other more objective Russian news agencies, like Interfax, the Russian Army has not taken Grozny or even encircled it. Russians are still fighting around Minutka, which is only 2.5 kilometers (1.5 miles) from the blackened ruins of the Presidential Palace and the central square.

They are still fighting their way into the southern part of the city. And there are many reports that Chechen units have moved in from the north, behind Russian lines, to harass them in the eviscerated city.

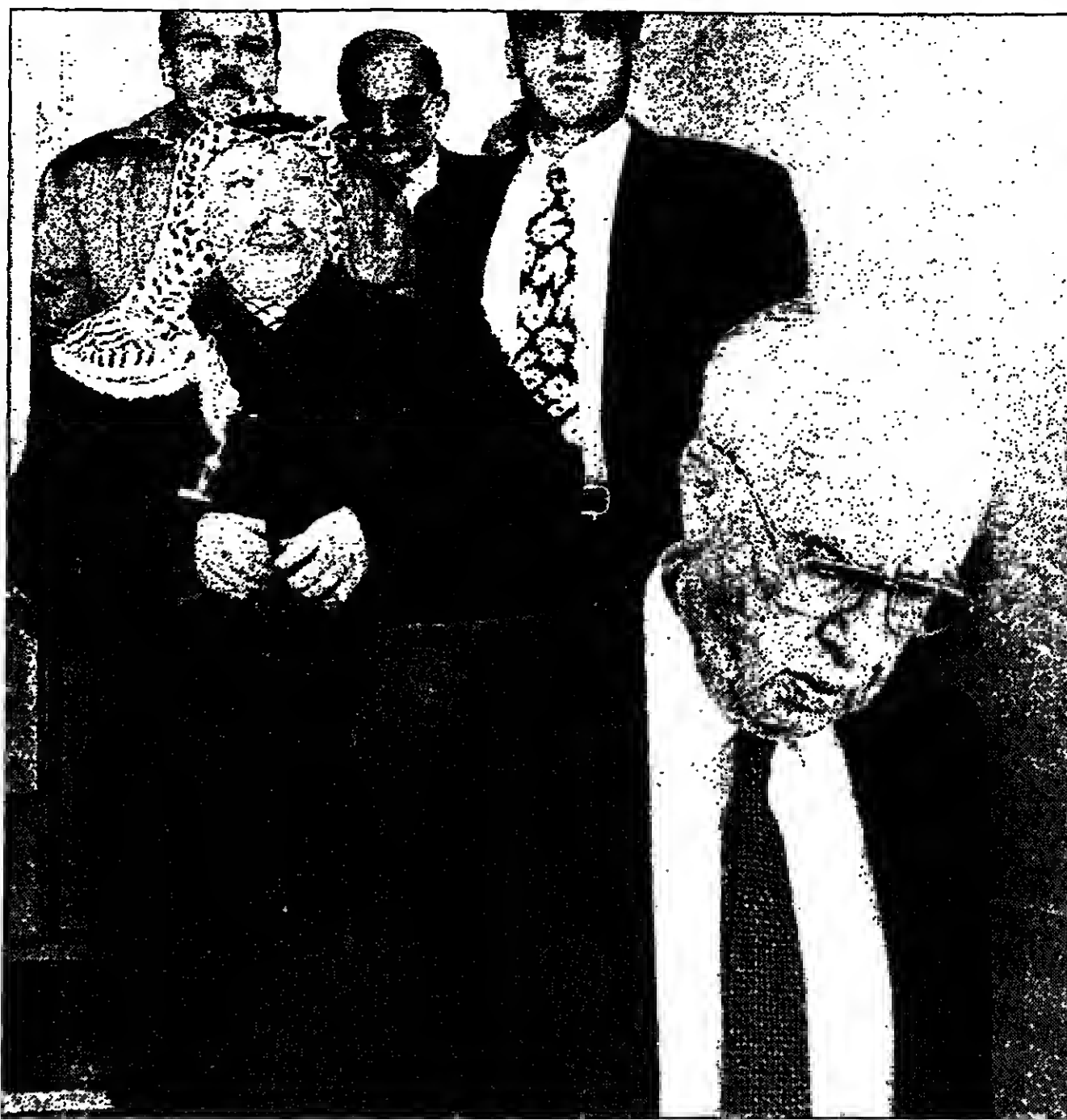
The Chechens have moved their military headquarters out of Grozny, a clear victory for Moscow and an indication that the city eventually will fall, as they continue the fighting in the villages and mountains. But much of Grozny remains an extremely dangerous military zone with fluid lines, and the new, Russian-named leadership of the republic has postponed its planned move there.

Similarly, Mr. Yeltsin once again postponed a speech to Parliament assessing the Chechen affair. His report to Parliament, originally scheduled for Jan. 11 and then for Thursday, has been rescheduled once more, for next Thursday or Friday.

Even the army's declaration that it was about to quit Chechnya is unfounded.

A Defense Ministry spokesman told Interfax that at least one division and two motorized infantry brigades — no less than 12,000 troops — would remain. Given that the invasion force was some 40,000 troops, equally divided between the Defense and Interior ministries, 12,000 soldiers is 60 percent of the army's original

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Mr. Rabin and Mr. Arafat looking less than pleased Thursday as they left a singularly unproductive session.

'Real Crisis' Predicted as Mideast Talks Bog Down

Neither Side Appears Prepared to Yield on Major Sticking Points

By Barton Gellman
Washington Post Service

JERUSALEM — Negotiations on Palestinian self-rule broke up in discord Thursday, reinforcing an impression of stalemate that has grown increasingly pronounced in recent weeks.

Prime Minister Yitzhak Rabin of Israel and Yasser Arafat, the Palestinian leader, managed thin smiles as they shook hands to start their meeting at the Erez crossing point between Israel and the autonomous Gaza Strip. But they abandoned their practice of holding a joint news conference afterward. A grim-faced Mr. Arafat escaped head down and without comment through a knot of reporters to his car.

"What do I have to say to them?" he was overheard muttering to an aide. Later, after a meeting with a European delegation led by Foreign Minister Alain Juppé of France, he was asked whether a scheduled meeting next week might break the impasse. "I am a pragmatic person," he replied. "I am not a dreamer."

Israel holds most of the cards in the talks, which boil down to how much land and power it will transfer to Palestinians in the occupied territories. Because Mr. Arafat has been unable or unwilling to provide Israelis with the one thing they really want — security from armed attack by Palestinian extremists opposed to a peace accord — Mr. Rabin lacks political room to make further concessions.

"I think there is a crisis, a real crisis," said Yasser Abed Rabbo, minister of information and culture in Mr. Arafat's limited self-rule authority. "There are two tendencies, and two approaches."

The Israeli environment minister, Yossi Sarid, did little to dispel that impression in an agitated statement made instead of the promised press conference.

"In no way do I call it a crisis or an explosion," he said. "Both sides are completely committed to the principles and to the agreements that were signed. It is only natural in such complicated negotiations that at a particular moment you come to a point when there is a need to re-examine the stands."

"Don't worry," he told reporters.

Atop the list of Palestinian grievances is the continuing closure of Israel's borders with the West Bank and Gaza, depriving

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Squeezed by Sanctions, Iraqis Appeal to World's Conscience

By John Lancaster
Washington Post Service

BAGHDAD — At the mayor's office these days, foreign visitors are handed an English-language brochure detailing the consequences of UN economic sanctions against Iraq: mounds of uncollected garbage, drinking-water shortages, 50 percent of all municipal sewage pumped untreated into the Tigris River.

Its title: "Baghdad, the City of Peace." More than three months after Saddam

Hussein recaptured the world's attention with an abortive military thrust toward Kuwait, the Iraqi president is trying to appeal to its conscience.

Gone, or at least muted, is the belligerence of last September and October, when the government-controlled press warned that "every Iraqi is a missile" that can be targeted against Western cities — an apparent threat to resort to terrorism if the United Nations Security Council did not lift the sanctions.

At least for now, Iraq has taken a concili-

atory approach, recognizing Kuwait and its borders last November and beginning to strike a more cooperative attitude with UN inspectors seeking to learn the full extent of Iraq's past efforts to develop weapons of mass destruction.

Similarly, Iraq has sought renewed ties with Arab states, made conciliatory overtures toward Kurdish opposition groups in northern Iraq and refrained from interference in the Middle East peace process, diplomats said. To showcase the sanctions' side effects on the Iraqi population, and to

demonstrate the regime's continued grip on power, it has encouraged visits by foreign journalists, aid workers, trade delegations and dignitaries.

The strategy has paid dividends in the Security Council, where France and Russia have begun to make the case for relaxing the sanctions over strenuous objections from the United States. Those differences are likely to flare next month, when the council meets to review Iraq's progress on compliance with its postwar obligations.

The appearance of fissures on the coun-

cil has created high expectations in the Iraqi government, whose ministries are busy drawing up plans and soliciting bids for the eventual rebuilding of the country in anticipation that sanctions could be eased this year.

In the meantime, Iraq is emphasizing the suffering caused by the sanctions, among the toughest in modern history, which bar the country from selling its principal resource, oil, except under strict conditions it so far has refused to accept. Iraq

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With Clinton, Kohl Expresses Support for NATO Growth

By Paul F. Horvitz
International Herald Tribune

WASHINGTON — President Bill Clinton and Chancellor Helmut Kohl agreed on Thursday to maintain a steady, careful course on both expansion of NATO and support for President Boris N. Yeltsin of Russia.

The American and German leaders, after talks at the White House, reaffirmed the need for a "gradual and open" expansion of NATO but, in a bow to Russian concerns, declared that there would be "no surprises" as the Western alliance grows.

Mr. Clinton and Mr. Kohl appeared to have had a meeting of the minds on issues ranging from the conflicts in Bosnia and Chechnya to the eastward expansion of the North Atlantic Treaty Organization, which the president called "inevitable."

In addition, the two leaders shared the view that Mr. Yeltsin must be supported as long as he pursues democratic rule, despite the untidy conflict in Chechnya.

Mr. Clinton said Mr. Yeltsin enjoyed his confidence, having carried out commitments to pull Russian troops from the Balkans and complied with nuclear accords. "You have to be able to deal with the rough spots on the road and stay on course," Mr. Clinton said.

The current talks on NATO expansion, about which Moscow has expressed serious misgivings, "are moving at the right pace," Mr. Clinton said.

The chancellor stressed that "misunderstandings" with Moscow must be avoided and warned that Mr. Yeltsin should not be

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VEILED INTENTIONS — Muslim women waiting to cast their ballots in state elections Thursday in Nagpur, the winter capital of the West Indian state of Maharashtra. Polls had predicted defeat for the ruling Congress (I) Party.

France Embraces a New, Dripping Hero

By William Drozdiak
Washington Post Service

PARIS — Fighting off seasickness, depression and the constant threat of becoming lunch meat for the sharks, a French swimmer completed on Thursday a solo crossing of the Atlantic Ocean and was hailed as the latest national hero to join a pantheon of adventurous compatriots who have tested the bounds of human endurance and risk.

Guy Delage, a 42-year-old flying instructor, reached the eastern Caribbean island of Barbados nearly eight weeks after he dove into the surf off the Cape Verde Islands.

He accomplished the 2,400-mile (4,000-kilometer) journey by swimming up to 10 hours a day and floating the rest of the time aboard a 15-foot (5-meter) raft crammed with navigational equipment.

"I'm coming back from a virgin, uncor-

rupted place, where I have found serenity with my fish," Mr. Delage said in a radio interview as he approached the conclusion of his ordeal. "The return to humanity risks being a bit tough."

The mad swimmer — or "nageur fou," as he was dubbed in the French press — was swarmed by family, friends and journalists as he emerged from the water to stand upright for the first time in two months. After expressing baffled amazement at the media circus that greeted him, he was whisked off to a hospital for a physical exam.

Mr. Delage's perplexity was understandable. Throughout his trip, he kept in touch with life back home through his satellite radio and heard few words of encouragement. A series of interviews left him profoundly depressed with the hostile reactions to his marathon swim across the Atlantic.

A caller to a radio talk show said he was irate that Mr. Delage would undertake such an exhausting and egotistical challenge when there were so many more useful things that he should be doing back in his own country.

Another critic, Stefan Caron, who won a bronze medal in freestyle swimming at the 1992 Olympics, denied Mr. Delage's feat as "a long warm bath" because he was traversing much of the distance by coasting on warm-water currents.

"He's swimming in a sea of false claims," said Loick Peyron, one of

France's top sailor-adventurers, who once windsurfed across the Atlantic. "Our frogman has been getting fraudulent praise because of all the technological marvels that enable him to move at a speed much superior" to those the Olympic champion Mark Spitz ever reached.

Indeed, Mr. Delage was equipped for the water with everything from flippers to a wetsuit and radar-guided kick board. On his rubber raft, which generated power from tiny windmills, he would cook meals, sleep, conduct scientific experiments and chat with family and friends on the radio.

Still, despite all the marvels of modern technology, he was still not prepared for the hardships he would encounter along the way.

He became seasick shortly after embarking on his journey, eventually losing about 20 pounds (10 kilograms). Then, his computer went on the blink after water seeped in during a storm, depriving him of the computer games that he described as his favorite leisure activity apart from listening to the radio.

While doing his laundry off the edge of the raft, he was stung badly by a big jellyfish. Then he slashed his hand when opening a can of stew to celebrate the New Year.

Mr. Delage, who says he has suffered a lifelong fear of sharks, confessed that the biggest fright he received was when a huge

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J. William Fulbright Dies, A Senator Wary of Power

New York Times Service

WASHINGTON — J. William Fulbright, the Arkansas Democrat whose 30 years in the Senate left a powerful imprint on foreign affairs and international education in an era of grim Cold War, foreign conflict and domestic upheaval, died early Thursday, his wife said. He was 89.

He had been hospitalized three weeks ago for pneumonia, his wife, Harriet, said, and died at his home in Washington after suffering a stroke.

Like President Bill Clinton, Mr. Fulbright was a Democrat and lawyer who called Arkansas home. "He was a very close friend of mine and if it hadn't been for him I wouldn't be here today," Mr. Clinton told reporters at the White House.

Mr. Fulbright, whose service in the Senate from 1945 to 1974 was highlighted by his 15 years as chairman of the Foreign Relations Committee, was dedicated to peace and wary of power. He did not shy from opposition to the White House or to a majority of his colleagues.

He introduced the legislation that led to the establishment of the United Nations, he inspired the student exchange program that bears his name, he assailed Senator Joseph R. McCarthy of Wisconsin when few dared speak against his Communist witch hunts and he preached withdrawal from Vietnam.

President Harry S. Truman once called him "an overeducated Oxford SOB." Senator McCarthy dubbed him "Senator Halfbright." President Lyndon B. Johnson said he was "unable to park his bicycle straight." But Senator Frank Church said, "When all of us are dead, the only one they'll remember is Bill Fulbright."

He was born on April 9, 1905, in Sumner, Missouri, and grew up on the outskirts of Fayetteville, Arkansas, the home of the state's flagship university. His father, Jay Fulbright, was a farmer and wealthy businessman, and his mother, the former Ro-

See FULBRIGHT, Page 6

AGENDA

Bosnian Serbs Fire on Sarajevo Site

SARAJEVO (Reuters) — Bosnian Serbian forces launched a mortar barrage toward government army positions here Thursday, rocking a truce that has held since Jan. 1. UN officials and witnesses said.

Machine-gun fire rattled out after the explosions hit in the vicinity of the Jew-

ish cemetery, which separates the mainly Muslim government army and the Bosnian Serbs.

There was no word on casualties. In Zagreb, a UN spokesman said the Serbs unleashed the mortar barrage because the government troops had dug trenches in violation of the truce accord.

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Republicans and Crime

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Afloat in Mexico

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Newsstand Prices	
Andorra.....9.00 FF	Luxembourg.....60 L. Fr
Antilles.....11.20 FF	Morocco.....12 Dh
Cameroon 1,400 CFA	Qatar.....8.00 Riels
Egypt.....E.P. 5,000	Réunion.....11.20 FF
France.....9.00 FF	Saudi Arabia.....9.00 R.
Gabon.....960 CFA	Senegal.....950 PTAS
Greece.....350 Dr.	Spain.....225 PTAS
Italy.....2,800 Lire	Tunisia.....1,000 Din
Ivory Coast 1,120 CFA	Turkey.....T.L. 45,000
Jordan.....1 JD	U.A.E.....8.50 Dirh
Lebanon.....US\$ 1.50	U.S. Mfr (Eur.).....\$1.10

Dow Jones		Fib Index	
Down	2.69	Down	0.09%
3932.68		109.95	
The Dollar		Thurs. close	
DM	1.5283	1.5305	
Pound	1.5575	1.5537	
Yen	98.895	98.925	
FF	5.286	5.2945	

NATO Expansion/Chechnya Upsets the Agenda

Political Pressure Grows To Enlarge Membership

By Steven Erlanger
New York Times Service

BRUSSELS — Willy Claes, secretary-general of NATO, is a semi-professional conductor of music, but he is struggling to keep his multinational orchestra in tune on NATO expansion despite Russia's adventure in Chechnya.

The NATO line is that the expansion has its own timetable, with a study of requirements for new members taking place this year, and that events anywhere, whether in Chechnya or the Kremlin, are irrelevant to that timing.

In a recent interview, Mr. Claes conceded that Russia's military tactics in its intervention in the secessionist region of Chechnya had considerably increased the political pressure to expand NATO faster, despite harsh Russian objections.

"Even strong supporters of the new Russia have got some new doubts about the future," he said.

Although Chechnya has made countries in the region even more eager for the protection of NATO, senior Western diplomats there shudder at the idea of going to war to defend Hungary against Romania, let alone Ukraine or the Baltics against Russia.

In separate meetings last week with leaders of five central Asian and central European countries, he said: "NATO expansion was the most important item on the agenda, so no doubt there's more pressure, and I've told the Russians this."

Even a nonmilitary organization like the Council of Europe, a loose assembly with democratic and human rights goals, has suspended talks on Russia's application to join because of what it called the "indiscriminate and disproportionate use of force" in Chechnya.

"The more President Yeltsin makes strong speeches against enlargement," Mr. Claes said, "the more the nations of central and Eastern Europe are knocking at my door." He was referring to President Boris N. Yeltsin of Russia.

As the Polish ambassador here, Andrzej Krzeczunowicz, said with smiling self-interest: "Chechnya won't change the pace of expansion. But Chechnya has changed the climate. People are more aware that the political environment is unstable and that changes in Russia may not be irreversible."

Mr. Claes's problem goes deeper than the timetable, however: how to expand the alliance without diluting its key principles — most important, the pledge of each member to go to the defense of any other member if attacked — and without driving Moscow into a deeper sense of isolation.

In private, Western diplomats and NATO officials make it clear that expansion will not be quick — four or five years away — and that it will be limited to the four so-called Visegrad countries, named after the town where they met in 1991: Hungary, the Czech Republic, Poland and Slovakia.

FOR other applicants, they say, differing relationships with NATO, possible within the vague boundaries of the Partnership for Peace program, will have to be enough for years to come. The Partnership is intended as a variable relationship with NATO that could end in full membership, but not necessarily. The

relationship can include joint maneuvers, some intelligence sharing and even joint defense planning, almost anything short of a guarantee of collective security.

To support their position, the officials cite the tough standards for membership. Those qualifications are the subject of a study to be finished by November or so, but can be reasonably well assumed from the experience of the last country to join, which was Spain. Spain's candidacy was pressed on political grounds, but it has lagged in its military contribution.

As Mr. Claes said: "We do not need security consumers," but countries that can bear the full weight, including the risks, of membership.

One official said bluntly: "We don't need any more Frances, Spains, Grecos or Turkeys."

Requirements for membership will include a democratic political system and constitution, a civilian defense minister, respect for human rights, military capability, standardization of military equipment and command structures with NATO, and the resolution of outstanding conflicts with neighbors (Hungary with Romania over claims to Transylvania is the most commonly cited issue). Few of these changes will be easy or cheap, even for the Visegrad four.

But everyone, including Mr. Claes, who was appointed in September 1994, knows that politics affect even NATO, that governments change, and that specific candidates for expansion, in the end, will be judged on political grounds at a time not yet fixed and in a setting not yet clear.

EVEN if a particular country qualifies, the 16 NATO members must unanimously decide to extend membership. And the senior diplomats and NATO officials made it very clear that extending NATO membership into the former Soviet Union, even to the Baltics or Ukraine, was almost inconceivable for the next decade or more.

As for the Baltic nations — Estonia, Latvia, and Lithuania — one official said: "NATO will have a hard time accepting countries that are militarily indefensible."

Privately, none of the diplomats and officials can quite imagine Russia inside NATO, that is, inside the organization as currently structured. Everyone stresses, however, the vital need to keep close ties of cooperation and friendship, if possible, with Europe's largest country, even if that means negotiating a separate NATO-Russian security treaty down the road.

"The fact of Russia is immutable and the single most important determinant of Europe's future," a senior NATO diplomat said. But Chechnya has weakened Mr. Yeltsin and accentuated the power of nationalist bureaucrats with anti-Western fears, he said.

Even if matters go badly in Russia, he said, "we'll have lost no time," since the decision to expand NATO was made in December. In the meantime, NATO and the West are "setting a place for Russia," if it cares to sit at the European table, and doing as little as possible to "kick them when they're down or to take advantage."

A working NATO, he and others point out, keeps a united Germany's military inside a multinational institutional home, a benefit Moscow is sure to appreciate.



Willy Claes, the NATO secretary-general, is trying not to dilute NATO principles.

AS for Russia's relationship with NATO, officials expect a fairly rapid decision by Moscow on an already negotiated relationship with a second document outlining a broader range of consultations with NATO that give Moscow something of a "special status."

Foreign Minister Andrei V. Kozirev suddenly stepped away from these documents early in December in a public and puzzling show of pique before the Chechnya invasion.

But in fact nothing more needs to be signed, Mr. Kozirev need only make a quiet affirmation that Russia intends to go ahead with its partnership program.

Still, the danger of an isolated Russia is real, an official said. And fear of Russian reaction is an obvious determinant in any plans to expand NATO, especially beyond Poland, as Moscow also understands.

■ Perry Defines Criteria
Dana Priest of The Washington Post reported earlier from Washington:

Defense Secretary William J. Perry has told Congress that some states of the former Soviet bloc will never qualify for NATO membership, even though they have been admitted to the Partnership for Peace.

Mr. Perry's comments on Wednesday were

the bluntest statement to date from the administration that some members of the Partnership cannot expect to join NATO.

Previously the State Department and Pentagon had been careful not to leave NATO aspirants with the impression that only certain countries were likely to qualify.

Countries such as Uzbekistan and Kazakhstan in central Asia are among the least likely.

A Pentagon spokesman, Kenneth Bacon, said Mr. Perry's remark "is not a policy statement as much as it is a statement of the obvious." But the obvious is what the administration has been reluctant to state.

Secretary of State Warren M. Christopher has insisted that giving preference to certain countries over others would demoralize those left waiting.

The Pentagon official said that if countries believed that the Partnership for Peace was a steppingstone to NATO, it was a misperception.

Mr. Perry was responding to a question by Representative Herbert H. Bateman, Republican of Virginia, who said the administration's statements had been misleading.

Mr. Perry said, "For those countries qualified to become NATO members, and only those countries, the Partnership for Peace is a path to NATO membership. Many members of the Partnership for Peace will never qualify for NATO membership."

U.S. Catches Up With Militant in N.Y. Terror Blast

Compiled by Our Staff From Dispatches

NEW YORK — A shadowy Islamic militant accused by federal authorities of being the planner of the 1993 World Trade Center bombing pleaded not guilty in U.S. District Court on Thursday, just hours after he was flown to New York from being captured in Pakistan.

The suspect, Ramzi Ahmed Yousef, 27, born in Iraq, was turned over to U.S. authorities and returned to New York late Wednesday to stand trial for the Feb. 26, 1993, explosion that killed six people and injured 1,000 others in what has been called the worst terrorist attack on U.S. soil.

He is accused of buying and brewing the chemicals used to make the huge Trade Center bomb. After the blast, he dropped from sight but in recent months had been reported sighted in several cities around the globe.

He appeared in Manhattan federal court on Thursday looking relaxed, clean-shaven and wearing a dark suit and tie.

Judge John Keenan of U.S. District Court asked Mr. Yousef how he pleaded. "I plead not guilty," he replied in English, waving off an interpreter.

In Washington, a Justice Department official said prosecutors were scrutinizing Mr. Yousef's activities before and after the bombing to see if additional charges could be brought.

Mr. Yousef was on the FBI's 10 Most Wanted List and a \$2 million reward was offered for information leading to his arrest. He also is allegedly involved in a series of other terrorist plots across Asia, including allegations in the Philippines that he had planned an assassination attempt on Pope John Paul II during his four-day visit in January.

(Reuters, AP)

picked up a tip on his whereabouts. Later, he was turned over to the FBI and was flown to New York aboard a government aircraft.

Underscoring Mr. Yousef's importance in the case, President Bill Clinton issued a statement Wednesday that described the suspect as a crucial figure.

"This arrest is a major step forward in the fight against terrorism," he said. "Terrorism will not pay. Terrorists will pay."

Mr. Yousef was first indicted on March 11, 1993, along with four co-defendants, Mohammed A. Salameh, Nidal A. Ayyad, Mahmud Abouhamza and Ahmad Mohammad Ali. Those four were tried, convicted and sentenced to 240 years in prison without the possibility of parole. Mr. Yousef was charged with 11 felony counts that could, if he is tried and found guilty, lead to life in prison without parole.

Mr. Yousef was not charged in the broader conspiracy indictment. It accuses 11 men who are now on trial of taking part in a plan led by a cleric, Sheikh Omar Abdel Rahman, to assassinate the Egyptian president, Hosni Mubarak, and bomb the United Nations.

The initial indictment against Mr. Yousef said he bought the chemicals that were mixed as an explosive material at a Jersey City apartment in January and February 1993.

He was accused of taking part in the Feb. 26 bombing of the World Trade Center. The plotters drove a rented van packed with explosives into an underground parking garage, beneath center, which they detonated in a huge explosion shortly before noon.

Marvin Snilson, the spokesman for the U.S. attorney in Manhattan, said that the capture of Mr. Yousef was not related to the guilty plea that was entered on Monday by one of the primary defendants in the terrorism conspiracy trial now under way in Manhattan.

That defendant, Siddiq Ibrahim Siddiqi, 41, made a detailed statement in which he seemed to substantiate much of the government's case against 12 other defendants, including Sheikh Rahman.

Spotted in Philippines

David Johnston of The New York Times reported earlier from Washington:

The FBI picked up Mr. Yousef's trail in January in the Philippines, U.S. officials said. The FBI hurriedly dispatched agents to give chase. But Mr. Yousef slipped out of the country before investigators could locate him.

He was arrested in Islamabad after the Pakistani authorities

TRAVEL UPDATE

U.S. Tightens Checks on Asia Flights

WASHINGTON (Reuters) — Washington has ordered U.S. airlines to increase already heightened security measures in place in the Asia-Pacific region for flights to some other parts of the world.

The Federal Aviation Administration said the measures included increasing searches of passengers and hand luggage. Gels, liquids and aerosols, sometimes used in bombs, will be banned.

An agency official would not say what new areas would be affected by the directive, but air freight industry sources in Europe said that the new warning was aimed at cargo traffic in particular. There were no immediate indications that there had been any new bomb threats to U.S. airlines.

A 24-hour strike called by French train engineers for Thursday was largely ignored by rail staff, the state railway company SNCF said, and services were only slightly disrupted.

Alaska Airlines said it would end flights to Russia on April 4 because talks with pilots on changing work rules had failed. The carrier said that the Russian service required deviations from the pilots' labor contract.

The largest civilian airport in Russia's Far East, at Vladivostok, was closed to all but a few flights for at least a week Thursday because of a shortage of airplane fuel, the Russian press agency Itar-Tass said.

Pilots Clear 'Black Box' Analysis

By Matthew L. Wald
New York Times Service

NEW YORK — The Federal Aviation Administration said Thursday that it would give airlines and pilots immunity from penalties for violations that the government discovered in information the airlines collected from their planes' flight data recorders.

Until now, the data has generally only been analyzed after an accident. Airline officials

pilots and other aviation experts said the policy change opened the way for the airlines to gather vast amounts of data from every aircraft, whether it was involved in an accident or not, and analyze it for abnormalities that could be precursors to accidents.

European airlines have been analyzing that data for years. But in the United States, the Air Line Pilots Association had resisted routine analysis because the data might be the basis for disciplinary action against pilots.

For a Paris Vagrant, Street 'Job' Brings New Respectability

By Craig R. Whitney
New York Times Service

PARIS — Philippe Hermand wants everyone to know that he is not one of the dockhairs, the scraggly outcasts who sleep on the streets or under the bridges of the Seine when the river is not overflowing its banks.

"I sleep in the street, but I get up every morning, wash and shave, and take care of myself," he said. "I just happen to live in the zone, that's all."

"The zone" is limbo, where thousands of men and women have ended up after being forced out of their apartments by rising rents and unemploy-

ment, now running over 12 percent in France.

Paris has never been without its dockhairs. But the municipal authorities now estimate that 5,000 to 7,000 homeless people live on the streets of the capital. Associations for the homeless say there are more, and perhaps as many as 400,000 in the country as a whole.

Mr. Hermand believes that the French may be on the verge of a social or political explosion, like the 1968 riots that ultimately brought down Charles de Gaulle.

"If there's a blowup, I'll be out there with them," he said. "But it isn't just France. It's a worldwide crisis."

Mr. Hermand may be homeless, but he is not feeble. By making himself useful to neighbors fortunate enough to have a roof over their heads, he has even become a little famous.

What he does is help people avoid parking fees, a favorite Parisian pastime. On the Rue de Sontay in the 16th arrondissement, where he lives, people can park legally only two hours a day between 9 A.M. and 7 P.M.; their cars are required to display recent parking receipts for 10 francs, or about \$2, an hour, obtainable from street dispensers.

Needless to say, Parisians will do almost anything to avoid paying. They will even give their car keys to Mr. Hermand, 48, a former convict who served 13 years for armed robbery before he landed on the street four and a half years ago.

He invented the job himself, keeping one step ahead of the parking agents who swoop down on the block three or four times a day. The agents are called "contractuels" because they are not police officers but

civilians paid by the city to make sure the parking fees are paid, and they are about as well liked as tax inspectors.

So Mr. Hermand is constantly on the move, slipping meter receipts under the windshield wipers just before the ticketers get there.

"I made the mistake on a rainy day just after New Year's of thinking that they wouldn't come, and all the cars got a fine," he said. He told residents that the \$15 tickets were a little New Year's present for the city, but promised not to let his guard down again.

Mr. Hermand lives off the tips his well-dressed and well-housed middle-class neighbors pass on to him.

"I'd miss him if he left," said Jean Clavero, a cobbler who lets Mr. Hermand bathe and shave in his shop every morning. "He brings me my coffee every day."

Robert Giovannoni, a physical therapist who met him in the café that Mr. Hermand uses as his office, said he had treated him for broken bones in one

hand suffered in a fight with a car thief.

"If we had more guys like him, the streets would be a little safer," Mr. Giovannoni said. "But I wouldn't give him my car keys. He used to be a stunt driver."

Mr. Hermand said that he had been looking desperately for a room to rent since one of his parking clients offered to pay his rent for a year.

Philippe Chavance, co-founder of a tenants' rights group, called Right to Housing, said that the housing market in Paris was in a crisis, with rents having risen faster since they were deregulated in 1986 than incomes.

The tenants' group recently occupied a former school in the Rue du Dragon on the Left Bank that a developer wanted to turn into luxury apartments.

With France now in a presidential election campaign, the homeless problem is as political as unemployment is. The Rue du Dragon occupation has attracted much attention from people eager to embarrass May-

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Argentina	000-000	Azerbaijan	000-000	Barbados	000-000	Colombia	000-000
Armenia	000-000	Belize	000-000	Belgium	000-000	Croatia	000-000
Australia	000-000	Belize	000-000	Bermuda	000-000	Cuba	000-000
Austria	000-000	Belize	000-000	Bhutan	000-000	Cyprus	000-000
Azerbaijan	000-000	Belize	000-000	Bolivia	000-000	Czech Republic	000-000
Bahamas	000-000	Belize	000-000	Bosnia and Herzegovina	000-000	Denmark	000-000
Bahrain	000-000	Belize	000-000	Brazil	000-000	Dominican Republic	000-000
Barbados	000-000	Belize	000-000	Brazil	000-000	Ecuador	000-000
Belgium	000-000	Belize	000-000	Brazil	000-000	El Salvador	000-000
Bermuda	000-000	Belize	000-000	Brazil	000-000	Equatorial Guinea	000-000
Bhutan	000-000	Belize	000-000	Brazil	000-000	Egypt	000-000
Bolivia	000-000	Belize	000-000	Brazil	000-000	France	000-000
Bosnia and Herzegovina	000-000	Belize	000-000	Brazil	000-000	Germany	000-000
Brazil	000-000	Belize	000-000	Brazil	000-000	Ghana	000-000
Bulgaria	000-000	Belize	000-000	Brazil	000-000	Guatemala	000-000
Burkina Faso	000-000	Belize	000-000	Brazil	000-000	Honduras	000-000
Burundi	000-000	Belize	000-000	Brazil	000-000	Hong Kong	000-000
Cambodia	000-000	Belize	000-000	Brazil	000-000	Hungary	000-000
Cameroon	000-000	Belize	000-000	Brazil	000-000	India	000-000
Canada	000-000	Belize	000-000	Brazil	000-000	Indonesia	000-000
Chad	000-000	Belize	000-000	Brazil	000-000	Israel	000-000
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China	000-000	Belize	000-000	Brazil	000-000	Japan	000-000
Colombia	000-000	Belize	000-000	Brazil	000-000	Kenya	000-000
Croatia	000-000	Belize	000-000	Brazil	000-000	Korea	000-000
Cuba	000-000	Belize	000-000	Brazil	000-000	Kuwait	000-000
Cyprus	000-000	Belize	000-000	Brazil	000-000	Laos	000-000
Czech Republic	000-000	Belize	000-000	Brazil	000-000	Lebanon	000-000
Denmark	000-000	Belize	000-000	Brazil	000-000	Libya	000-000
Dominican Republic	000-000	Belize	000-000	Brazil	000-000	Macao	000-000
Ecuador	000-000	Belize	000-000	Brazil	000-000	Malaysia	000-000
El Salvador	000-000	Belize	000-000	Brazil	000-000	Mexico	000-000
Equatorial Guinea	000-000	Belize	000-000	Brazil	000-000	Moldova	000-000
Egypt	000-000	Belize	000-000	Brazil	000-000	Monaco	000-000
France	000-000	Belize	000-000	Brazil	000-000	Morocco	000-000
Germany	000-000	Belize	000-000	Brazil	000-000	Mozambique	000-000
Ghana	000-000	Belize	000-000	Brazil	000-000	Nicaragua	000-000
Guatemala	000-000	Belize	000-000	Brazil	000-000	Norway	000-000
Honduras	000-000	Belize	000-000	Brazil	000-000	Pakistan	000-000
Hong Kong	000-000	Belize	000-000	Brazil	000-000	Paraguay	000-000
Hungary	000-000	Belize	000-000	Brazil	000-000	Peru	000-000
India	000-000	Belize	000-000	Brazil	000-000	Philippines	000-000
Indonesia	000-000	Belize	000-000	Brazil	000-000	Poland	000-000
Israel	000-000	Belize	000-000	Brazil	000-000	Portugal	000-000
Italy	000-000	Belize	000-000	Brazil	000-000	Romania	000-000
Japan	000-000	Belize	000-000	Brazil	000-000	Russia	000-000
Kenya	000-000	Belize	000-000	Brazil	000-000	Saudi Arabia	000-000
Korea	000-000	Belize	000-000	Brazil	000-000	Senegal	000-000
Kuwait	000-000	Belize	000-000	Brazil	000-000	Singapore	000-000
Laos	000-000	Belize	000-000	Brazil	000-000	South Africa	000-000
Lebanon	000-000	Belize	000-000	Brazil	000-000	Spain	000-000
Libya	000-000	Belize	000-000	Brazil	000-000	Sweden	000-000
Macao	000-000	Belize	000-000	Brazil	000-000	Switzerland	000-000
Malaysia	000-000	Belize	000-000	Brazil	000-000	Taiwan	000-000
Mexico	000-000	Belize	000-000	Brazil	000-000	Thailand	000-000
Moldova	000-000	Belize	000-000	Brazil	000-000	Turkey	000-000
Monaco							

150 من المجلد

EUROPE

Greece Bars EU-Turkey Pact

Athens Demands Changes in Customs Accord



Two ethnic Greeks leaving prison Thursday after being freed by an Albanian court.

ATHENS — Greece said Thursday that it was withholding agreement on a European Union customs accord with Turkey until there were improvements in the pact.

"We studied the issue assiduously, and the position of the Greek government is negative," said a government spokesman, Evangelos Venizelos. His comments followed a cabinet meeting called by Prime Minister Andreas Papandreu to review the pact.

He said Greece would continue to veto the accord, which is partially designed to bring Turkey closer to the European Union, unless it was improved.

EU foreign ministers agreed in principle on Monday to go ahead with a customs accord with Turkey in return for setting a date to start negotiations with Cyprus on joining the Union.

The agreement initially seemed to remove years of Greek objections to closer EU-Turkey ties, but Greece expressed reservations on Tuesday, saying it wanted to study the issue. The accord must be approved by all EU member governments.

Mr. Venizelos listed several points that he said needed to be improved.

They included more specific dates and procedures on EU membership for Cyprus, less money offered to Ankara to cope with the customs accord, and more aid to Greece's textile industry, which is expected to suffer under the agreement.

Both Turkey and Cyprus had welcomed the agreement, which was expected to give a boost to Turkey's ailing economy and help to speed up a solution to the problem of a divided Cyprus.

Closer EU-Turkey links have been blocked for years by a dispute between Athens and Ankara over Cyprus, which was divided following a 1974 Turkish invasion.

There were also signs of movement Thursday on issues that have divided Greece from another of its neighbors, Albania. Athens said that it hoped a new chapter was opening in often-stormy relations with Albania after four ethnic Greeks were freed from an Albanian jail.

The conviction of the four in September on charges of spying for Athens and possessing ille-

gal weapons sent already tense relations between the two states plummeting. Greece called the convictions a farce reminiscent of Albania's hard-line Stalinist past, and said no further dialogue was possible with Albania until the four were freed.

"After the decision of the Albanian Supreme Court and the release of the four, we believe this ordeal is over," said a Greek Foreign Ministry spokesman, Constantinos Bikas.

The Albanian Supreme Court, hearing an appeal on Wednesday, upheld the original convictions but handed down new five-year suspended sentences.

"We want to express our satisfaction and our hope that a new chapter will begin in the relations of the two countries for the benefit of their people," Mr. Bikas said.

The two countries have been at odds over issues such as the 300,000 illegal Albanian workers in Greece, whose remittances help keep one of Europe's poorest states afloat, and the treatment of a large ethnic Greek minority in southern Albania.

BRIEFLY EUROPE

EU Business Leaders Urge Caution

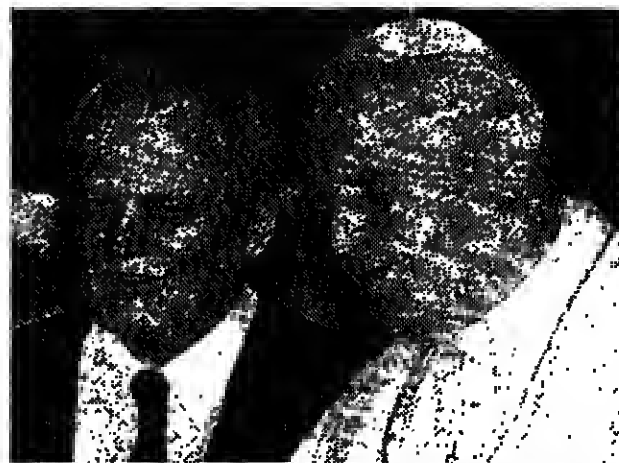
BRUSSELS — European Union business leaders called for a limited agenda at next year's intergovernmental conference on reforming EU institutions, saying uncertainty about the extent of reform and a possible hard-core of countries pursuing deeper integration could deter investment.

"All these arguments about two speeds or three speeds, or who is in or out of economic and monetary union: I don't think that's good for Europe," said Zygmunt Tyszkiewicz, secretary-general of the European employers' confederation, UNICE. Businesses need to be able to plan 10 to 20 years ahead to make major investments, he said. The leaders spoke before a meeting with Jacques Santer, the European Commission president. (IHT)

Britain Must Pay Drug Trafficker

STRASBOURG, France — The European Court of Human Rights on Thursday ordered Britain to pay a jailed drug trafficker nearly £14,000 (\$21,730) in costs and said it might award him damages as well. It criticized Britain for sentencing Peter Welch under a law that had not yet come into effect when his crimes were committed.

The court faulted a British judge for a confiscation order against Mr. Welch, saying the 1988 order was based on a law that came into effect in 1987 while Mr. Welch had committed the offenses in 1986. (Reuters)



A FIRST AT VATICAN — Arpad Goncez meeting with Pope John Paul II on Thursday. It was the first time that a Hungarian president had visited the Vatican.

Calendar

European Union events scheduled for Thursday

STRASBOURG: Prime Minister Maris Gailis of Latvia signs membership agreements as Latvia officially joins the Council of Europe.

BRUSSELS: EU competition officials from each member state will consider whether Mercedes-Benz's proposed takeover of busmaker Kaessbrohrer should be allowed.

BEIRUT: A European delegation meets with President Elias Hrawi of Lebanon and other government officials. Sources: Agence Europe, Bloomberg.

Report on Perils of Pasta Causes Italians to Choke

ROME — The recent report that some dietary experts are reviewing the health benefits of pasta has met with outrage, derision and charges of disguised protectionism in Italy, where pasta is a source of national pride, culinary delight and export revenue.

A New York Times article, which began with the words "Rye-bye pasta," said some dietary experts were reviewing the health benefits of pasta and other starchy foods to a low-fat diet and now suspected they might contribute to obesity.

"Up to a very short time ago the Americans were singing the praises of the Mediterranean diet, which is based on carbohydrates," said Giuseppe Maratona, a specialist at the food studies center of the Catholic University of Rome.

"Now they're questioning carbohydrates, and especially pasta. They forget there are other carbohydrates in their diet, like potatoes, which have an even higher absorption rate," he said.

Employers Fight EU's Labor Proposals

By Tom Buerkle
International Herald Tribune

BRUSSELS — European Union business executives appealed Thursday for a moratorium on EU labor and social legislation, but the call was quickly rebuffed by President Jacques Santer and his colleagues on the EU executive commission.

Zygmunt Tyszkiewicz, secretary-general of the EU employers' confederation, UNICE, urged the commission to scrap legislative proposals on parental leave, rights for part-time workers and employees posted

across EU borders, and sex discrimination, saying they would hurt competitiveness.

"Present circumstances make these directives quite out of line with the needs of today," Mr. Tyszkiewicz said after a meeting between confederation leaders and Mr. Santer.

A spokesman for Mr. Santer said he reiterated his attachment to Europe's model of social protection, and his desire to end Britain's exemption from most EU social legislation.

"Social policy is writ large with me," Mr. Santer told the executives, according to the spokesman.

A spokeswoman for Padraig Flynn, the employment commissioner, said the proposals were needed to harmonize labor standards within the EU single market, and added that the commission would push to have them adopted this year by majority vote among member states under the EU social protocol.

"They're scaremongering over nothing," the spokeswoman said.

The move by the employers' confederation irked commission officials, who say they have already shown themselves willing to work with industry.

Much of the commission's recent work, including Jacques Delors' white paper on jobs and competitiveness, incorporates business demands on payroll taxes and the labor market. Indeed, Mr. Tyszkiewicz said

the industrialists were satisfied that their calls for deregulation were heard at the meeting. "I think Mr. Santer is a person who understands our problems," he said.

The business executives also urged the commission to consult industry more often instead of regulating with a Brussels-knows-best attitude.

But commission officials said the employers' own perceptions were out of date.

Bomb Damages Corsica Site

AJACCIO, Corsica — A bomb exploded early Thursday in the Corsican city of Bastia, causing major damage to a waterworks, the police said. No one was hurt in the blast, and no one immediately claimed responsibility.

Swedish Submarine Alert? Only Minks

STOCKHOLM — It was the minks, they think.

In an embarrassing admission, Defense Ministry analysts say many signals detected by the navy's high-tech buoys — and thought to be foreign submarines — were just the sounds of swimming minks.

The report, coming after the military conceded that an animal had set off a submarine hunt in the Baltic Sea last spring, was leaked to the Dagens Nyheter newspaper and published Wednesday.

It said most of the suspicious sounds heard in the islands around Stockholm

since the end of the Cold War were minks and other mammals swishing and splashing as they searched for food.

Minks are plentiful on the islands. They usually feed on the surface, but sometimes dive for crayfish on the bottom.

Still, the military insists that they do not account for all the noises.

"We can't say that all the sounds from the buoy came from minks, or that all submarines are minks," the newspaper quoted Chief of Staff Owe Wiktorin as saying.

The Defense Ministry had no immediate comment on the report.

For nearly 15 years, the military has tracked evidence of intrusions, saying Soviet or other submarines were hiding in or crossing Swedish waters en route to the North Sea.

The effort started when a Soviet submarine ran aground outside a southern naval base in 1981. The navy, which noticed the submarine only after it was stranded, was determined not to be embarrassed again and began beefing up its defenses.

Still, in another incident, it detonated depth charges against a suspected intruder that turned out to be an underwater rock.

EUROPEAN TOPICS

From White to Bare-Faced, Just About Everybody Lies

Lies have short legs, as an old saying goes, but they do get around. A British psychologist, Richard Wiseman, has confirmed as much in a major poll.

Only one in four people surveyed denied having lied in the past day. A mere 12 percent said they never lied — and who knows if they're telling the truth. Mr. Wiseman found it worrying that most people are so bad at spotting others' lies, the German weekly Der Spiegel reports.

The main clues to prevarication, he says, come from the words people choose (are they evasive?), the way they deliver those words (hesitations or a choked voice are tell-tale signs), and their facial and body language (such as averting one's glance). Mr. Wiseman wanted to know how those signs play out over today's mass media.

So he taped Sir Robin Day, a political commentator, talking about his favorite movies. In one version Sir Robin lied throughout; in the other he told the truth. Both versions were printed in a London daily and aired on radio and

television. Readers, listeners and viewers were then asked which they thought was truthful.

The results: 73.4 percent of radio listeners and 64.2 percent of newspaper readers but only 51.8 percent of TV viewers could spot the truth.

Mr. Wiseman says some people think that eye contact makes one a convincing liar. But would-be liars, he says, would be "better advised simply to close their eyes and pay attention to their words." Another conclusion: If you want to lie to the masses, try TV.

Around Europe

How should a city handle young people who cover its walls and buildings with graffiti?

Berlin officials have opted for an iron-fisted approach. At 6 A.M. on Jan. 13, some 400 police raided 85 homes and 3 businesses in the Berlin area, looking for spray paint, graffiti magazines, posters and the like. The raids, coordinated by a newly formed investigative group called GIB ("Graffiti in Berlin"), were intended to make an impression on the estimated 12,000 Berlin "writers" as they call themselves. Not everyone was impressed. The home of one 14-year-old boy, Gregor, was visited by six policemen. He had been caught spray-painting a wall the year before. But the problem was long since resolved; the boy scrubbed the paint off himself. "They had no grounds for coming here," said the youth's angry father.

In Copenhagen, the national railway company has taken the opposite approach. After spending a fortune over the years erasing graffiti from suburban trains, the rail authority has hired two graffiti regulars as consultants. They in turn will employ others to decorate trains, hopefully in suitably good taste.

The British Army's last 20 horses retired from active duty this week. Their last real service in combat came during World War I, when mounted cavalry were sent against entrenched gunners, with suicidal result. Since then, army horses have been relegated largely to patrol and to ceremonial duty. They will be replaced by all-terrain motorcycles, said the army, at a savings of £500,000 (\$775,000).

Talk about fast work... According to the Paris daily Liberation, a work crew on the Rue de Provence was seen on a recent morning painting stripes to indicate that the street had become a metered parking zone. Trucks were employed to hoist cars up while painters applied stripes beneath them. So far nothing new. But locals were astounded when, with the paint still wet, an "army" of light-blue-garbed meter readers swarmed in to ticket the cars, now illegally parked.

Brian Knowlton

IRA Suspends Talks When It Finds a Bug

BELFAST — Sinn Fein, the IRA's political wing, said it suspended talks with British officials Thursday after a suspected listening device was found in a room used by its negotiating team at Stormont Castle here.

The leader of the Sinn Fein delegation, Martin McGuinness, said his security experts detected a device after they carried out an electronic scan of the room.

Polish Nominee Voices Doubt on Job

WARSAW — Jozef Oleksy, the leftist government's nominee for prime minister, said on Thursday after an edgy meeting with President Lech Walesa that he had "not yet decided" to accept the job.

"I won't make a definite decision for seven days," Mr. Oleksy said as he left the meeting.

The governing coalition dropped Prime Minister Waldemar Pawlak on Tuesday under pressure from Mr. Walesa, who threatened to dissolve Parliament.

"One cannot say if President Walesa has accepted my candidacy," said Mr. Oleksy, a moderate former Communist and

leading member of the Democratic Left Alliance.

"I could detect a certain reticence on the president's part," added Mr. Oleksy, whose party shares power in the coalition with Mr. Pawlak's Peasants' Party.

According to the president's office, the two men discussed the country's "most pressing problems" during the 90-minute meeting. Mr. Walesa's first with Mr. Oleksy.

Mr. Oleksy's comments cast new doubts on the government after Mr. Pawlak's removal had appeared to pave the way for a solution to a crisis that has paralyzed Poland.

Mr. Walesa had been trying to get rid of Mr. Pawlak for

weeks, accusing the Peasants' Party of holding up moves toward a market economy. On Wednesday, the president said he was "not opposed" to Mr. Oleksy.

But Mr. Walesa had hoped the Democratic Left Alliance would nominate its leader, Alexander Kwasniewski, a rival of Mr. Walesa in the presidential elections to be held in the fall.

Mr. Walesa, who is trailing in the polls, apparently believed that the exercise of power would dent Mr. Kwasniewski's popularity before the election.

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BOOKS

KAREN HORNEY:
A Psychoanalyst's Search
for Self-Understanding
By Bernard J. Paris. 270 pages.
\$30. Yale University Press.

Reviewed by
Diane Middlebrook

KAREN HORNEY (1895-1952) disliked being a woman, so she adopted the ways of the men around her. She studied medicine in her native Germany, then took up psychoanalysis, becoming a founding member of the Berlin Psychoanalytic Institute in 1920. Scandalous behavior repeatedly landed her in trouble. She disputed with Freud and with her own analyst, Karl Abraham, fundamental issues in Freud's theory of femininity. (Horney wrote bitterly that if we "free our minds from this masculine mode of thought, nearly all the problems of feminine psychology take on a different appearance"). She conducted numerous affairs during her marriage; after divorcing her husband and emigrating to the United States in her late 40s, she was forced to resign from another institute, where she had seduced and abandoned a number of her male student analysts. But her career was an immense success anyway, and all of her books are still in print, more than 40 years after her death.

Bernard J. Paris wants to show that Horney was a woman ahead of her time. He argues that Horney is one of the most undervalued psychoanalytic thinkers of this century — that professional brilliance enabled her to theorize in profoundly original writings the conflicts she was condemned by her character flaws to act out disastrously in life.

Most significant to Paris's argument are the personal journals in which Horney kept track of her own struggles against conformity and later against depression. Horney began writing a diary at age 13 and kept up the practice until she was 26. Her adolescent diaries, published in 1980, convey a precocious gift for self-analysis and surprising clarity about her appetites (maybe surprising only because the record of what adolescents really think about is pretty sparse). Rebellions against conventional femininity show up right away. Her father resented paying for a girl's education, and she worried about fulfilling her dreams of

becoming a doctor. She seethed over her mother's preferential treatment of a brother and over her mother's coldness toward Karen's first boyfriend, who was Jewish. She mocked her own propensity for serial infatuations with teachers. "Yes, I confess it honestly — I am a stupid *Backfisch* [adolescent girl] with my eternal crushes." She sought mental sexual liberation by reading erotic literature, and imagined herself as a prostitute.

Paris connects Horney's youthful confidence in the authenticity of her own experience with her later distinction as an analyst. "Not surprisingly," he comments, "Horney came to feel it to be her given task to understand female psychology: to explore the differences between men and women and the disturbances in relationships between the sexes from the woman's perspective." She had a personal stake in making psychoanalytic theory less threatening to her dignity and more useful as a tool of self-exploration and growth. Her work would focus not on the infantile origins of neurosis but on the function of the patient's defenses. Horney saw the goal of analysis as restoring to the individual the spontaneity crushed under the burden of neurotic anxieties. And she shrewdly saw many of those anxieties as products of the assignment of women to categorical social inferiority.

This book is not a biography, but makes extensive use of newly available materials to establish specific links between Horney's professional writings and her personal experiences. Though Paris writes lucid expository prose, the book is not easy going for a reader unfamiliar with the biographical information it challenges and amplifies.

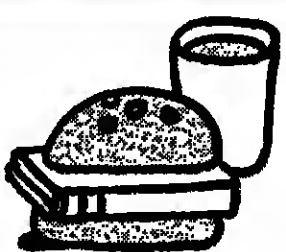
Given its emphasis on the practical aspects of Horney's thought, it is not surprising that this book comes most to life in the brief appendix, where Paris discusses the uses he has made, as a literary critic, of Horney's insights. In just a few pages, he makes a strong case for his unpopular opinion that the study of literature needs its psychoanalysts. Few readers of his explanations will fail to be impressed by what Paris shows them about their own defensive practices as readers — and without using a syllable of jargon, at that.

Diane Middlebrook, author of "Anne Sexton: A Biography," wrote this for *The Washington Post*.

WHAT THEY'RE READING

• Jean-Claude Van Damme, action film star, is reading, "Songs My Mother Taught Me," the autobiography of Marlon Brando.

"The man's a genius. It's incredible for me to read that he often didn't even bother to learn his lines. I think he should be more disciplined about eating all that junk food though." (Marcelle Katz, *IHT*)



BRIDGE

By Alan Truscott

IN the diagrammed deal, North and South climbed to four no-trump as shown. North was too strong to bid three clubs, but he might have considered three hearts.

South's four no-trump was a sign-off, and West led a heart. He won with dummy's jack, and correctly resisted the temptation to cash the club ace. In-

stead, he led the spade queen, and when that was allowed to win, continued with the jack.

West won this and persevered with a heart. Dummy won with the ace, and another spade was won by West. That player led his last heart, and South took two tricks in the suit to reach this tricky ending:

NORTH			
♠	Q J 10 8		
♥	A J 2		
♦	—		
♣	A K J 8 6 2		

WEST			
♠	A K 8 6		
♥	10 5 4		
♦	9 7 5 4 3 2		
♣	—		

EAST (D)			
♠	5 2		
♥	8 8 8		
♦	K J 8		
♣	Q 10 7 5 3		

SOUTH			
♠	7 4 3		
♥	K Q 7 3		
♦	A Q 10 6		
♣	8 4		

North and South were vulnerable.

The bidding:
East Pass South Pass West Pass North 1♠
Pass 1♥ Pass 1♠
Pass 2NT Pass 4♠
Pass 4NT Pass Pass

West led the heart four.

South led a club, planning to duck, but changed his mind when West threw a diamond. He won in dummy and led the spade winner.

East was helpless. If he threw a diamond, a low club would endplay him. And if he threw a club, any play from dummy would succeed.

War Revives Ecuador Leader

Country Unites Behind Nationalist President

By James Brooke
New York Times Service

QUITO, Ecuador — Over the last half-century, a quarrel with Peru over a strip of Amazon border has inspired Ecuadorians to produce about 500 books on the subject — about 10 volumes per contested mile.

So, when President Sixto Durán Ballén ordered his soldiers two weeks ago to resist Peruvian attacks, it was as if the 73-year-old leader had been reborn, invigorated by a magical nationalism.

Gone were memories of an infirm politician who spent most of November in a Washington hospital, prompting his enemies back home to plant stories of his death on local radio stations.

Instead, Mr. Durán Ballén could be seen daily on the whitewashed balcony of the Spanish-colonial presidential palace here. Energetically pumping the air with his right fist, he led crowds in rhythmic chants of "Not One Step Back!"

Gone were the tear gas-tainted memories of opposition in his free-market changes of the last two years — a national protest by Indians, three general strikes and recurrent strikes by state oil, telephone and electricity workers determined to block privatizations.

On Tuesday night, flag-waving crowds lined streets to welcome the president home from a diplomatic tour of South America. It was hard to remember that only six weeks ago, "Sixto" dolls were the hottest sellers among the effigies that Ecuadorians burn New Year's Eve in a traditional protest against politicians.

"Physically and politically, Sixto has revived," said Benjamin Ortiz Brennan, editor of *Hoy*, an influential newspaper in this capital. "At the beginning of December it seemed that he was going to die or resign. But Ecuador is a nation

wounded in its dignity. It is a nation with a defeat complex."

A \$500 million war-tax bill sailed through Ecuador's Congress this week, normally one of Latin America's most divided legislatures. Controlling only 9 of its 77 seats, Mr. Durán Ballén has watched Congress impeach or force the resignation of four cabinet ministers since September.

With a chance to restore the national honor, few Ecuadorians worry, at least publicly, that the border conflict between two poor countries is costing each side an estimated \$10 million a day. From islanders on the Galápagos to Indian tribes in the Amazon, thousands of Ecuadorians suddenly have been unified by the challenge of a rematch with Peru.

Standing up to Lima seems to offer collective therapy for national psychic damage caused by the loss of half of Ecuador's territory to Peru in a 1941 war. Though only a small fraction of this nation of 11 million people is old enough to remember the war, it still resonates in this normally placid nation.

Having basked in the nationalist fountain of youth, Mr. Durán Ballén may now be its political prisoner.

Across the border, he faces Alberto Fujimori, a politician who is equally determined to declare "victory."

Peru's president is seeking re-election in a vote two months from now.

Some analysts fret about possible parallels with South America's last border war. Argentina's government collapsed after its army was defeated in the 1982 invasion of the Falkland Islands.

Although Ecuador's president has cut inflation in half and has boosted economic growth in the last two years, a battlefield defeat could cut short his presidential mandate and shake Ecuador's 15-year-old democracy.



Ecuadorian troops unloading supplies. The fighting is said to cost Quito \$10 million a day.



HENRY HAMPTON

ARTS AND HUMANITIES

His documentaries have been called "history as poetry." In films such as *Eyes on the Prize* and *America's Daughters*, he has shed new light on the past and provided inspiration for the future.

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PLEASED TO ANNOUNCE THE
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HEINZ AWARDS



GEOFFREY CANADA

THE HUMAN CONDITION

Raised in poverty, he studied at Harvard and returned to the inner city to nurture and protect children at home, at school and in the streets. Because of his leadership, programs such as Project Head Start, Beavon Schools and the Harlem Freedom Schools have become national models of hope and caring.

HEROES WALK AMONG US.



AMBASSADOR JAMES GOODBY
PUBLIC POLICY

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OPINION/LETTERS

The Devolution Revolution Hits America, Russia, China

By William Safire

WASHINGTON — A quick insight to illuminate the political landscape: China, Russia and the United States, all in their own ways, are sending power long concentrated in their capitals out to the boondocks. Curiously, when we Americans see this happening in China, we tut-tut about "warlordism." After Beijing-centric Deng Xiaoping dies, political power in China will probably devolve to centrifugal men in a half-dozen regions, thereby reflecting economic reality. Beijing's central grip will be broken because it has raised government-army-business corruption to a national scale — but such corrup-

America should stop touting order imposed from the center for others even as it comes to reject that course for itself.

tion works best, mafia-style, in alliances among regional "families." Meanwhile, devolution continues apace in Russia, which is down to 150 million people. Its hope of gaining back population is in the immigration to the motherland of Russian-speakers from the "near abroad," unhappy in the broken-off states.

Chechnya's bid for independence, brutally repressed, reminds the varied peoples of the unmanageably far-flung Russian Federation that Moscow rules by force. But the successor to Boris Yeltsin will have to submit to the stronger centrifugal force, recognizing that ever greater autonomy within each republic is the way to maintain sovereignty over all.

The American tut-tutters at this trend call the coming devolution "dismemberment." They foresee nothing but Balkan-like trouble in breakups, and pose a legitimate question about the control of nuclear weaponry in China or Russia if either nation sinks into anarchy.

But is anarchy the necessary result of the flow of power to the people? Would not downsizing benefit nations that have overconglomerated? Even Europe, after a decade of rhetoric about continental integration, is now finding new respect for local culture and national identity.

On devolution, it ain't what you do, it's the way you do it. The United States is pointing the way to the orderly dispersion of political power. By striking down "unfunded man-

dates" beyond safety and civil rights, the new Congress is taking burdens of taxation off states. By turning the administration of welfare, Medicaid and ultimately Medicare to states, the nation is allowing for diversity and encouraging competition.

That is the new direction in American democracy. You might think that by its example, America could influence this historic devolution in countries that it wants to see turn democratic. But U.S. policy works toward the opposite goal. Clinton diplomats and most of the foreign policy establishment fear the new direction and seek "stability" above all.

To China, Bill Clinton at first ties trade advantages to human rights, then abjectly caves in. Beijing, having taken the president's measure, participates in the most brazen piracy of U.S. intellectual property. But when the trade negotiator Mickey Kantor bluffs and puffs about retaliation, his house is blown down by Energy Secretary Hazel O'Leary, who announces a junket this month of 50 American oil men to Beijing.

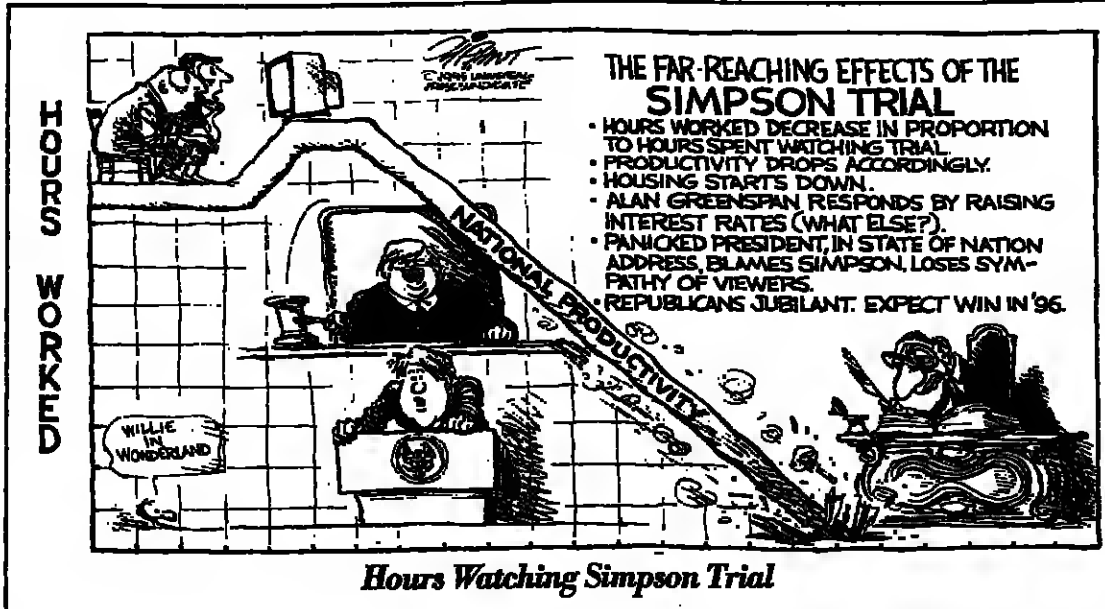
As a result, hard-line Beijing centrists claim victory. Prime Minister Li Peng can argue that only a strong national government can continue to tumble the United States in trade.

In the same way, by potting all its diplomatic chips on the continuance of the current regime in Moscow, Washington takes the side of the two men — the shrewd authoritarian Boris Yeltsin and the outy authoritarian Vladimir Zhirinovskiy — who stand for an all-powerful central government against the forces of devolutionary change.

What is good for American democracy could be good for nascent democracy in Russia and the un-Commonwealth devolves in China. America should stop touting order imposed from the center for others even as it comes to reject that course for itself. On the contrary, it should encourage others to go with the flow of centrifugal political forces all over the world.

Nobody denies that the U.S. national interest is in responsible control of nuclear arsenals. Washington should invest heavily in incentives to dismantle, to subsidize nonweaponary work by nuclear scientists, and to put in place a space shield to deter secessionist blackmailers.

But today the United States should face up to the likelihood of some dispersion of control, and stop the wishful thinking that a small circle of leaders in China and Russia will be calling the shots tomorrow. *The New York Times.*



Hours Watching Simpson Trial

LETTERS TO THE EDITOR

We Simply Have No Choice but to Help

Regarding "Prepare for Better Relief and Peacekeeping, Not Less" (Opinion, Feb. 3) by Jim Hoagland:

The world is indeed confronted by many "oasty little wars." Interstate wars are being replaced by vicious intrastate conflicts. The victims of the fighting in Afghanistan, the former Yugoslavia, Liberia, Somalia and Rwanda are innocent civilians, primarily women and children. Increasingly, humanitarian agencies are working in conflict situations threatening both the security of the people who require our protection and that of the international relief workers. Humanitarian action is, however, not an end in itself. It should not be a fig leaf for political inaction or failure.

The international community has been faced with several failures, but there have also been successes. Think of South Africa, Central America, Cambodia and Mozambique. After years of depending upon international assistance, people have voluntarily returned home to participate in elections and in the rebuilding of their countries.

In former Yugoslavia, humanitarian assistance by nongovernmental organizations, the International Committee of the Red Cross and the UN High Commissioner for Refugees, in cooperation with the UN Protection Force, has saved hundreds of thousands of lives.

Mr. Hoagland appeals to humanitarian agencies and governments to rethink international relief and humanitarian programs and to adopt

pragmatic, even radical, reform. Although peacekeeping operations and humanitarian agencies increasingly work alongside one another in conflict areas, a clear distinction exists, and must continue to exist, between their respective mandates.

The right to seek and enjoy asylum, as laid down in the Universal Declaration of Human Rights, is a fundamental principle. UNHCR has been mandated to ensure international protection to victims of persecution and conflicts without discrimination as to race, religion or political opinion. The principle of non-refoulement — the non-return of victims to a situation where their lives could be in danger — is fundamental. Humanitarian action must respect the principles of impartiality, humanity and neutrality.

The application of these principles is not a question of choice but of responsibility. UNHCR cannot withdraw from the Rwandan refugee camps under the pretext that some assistance is being diverted to military elements and militia, many of which are responsible for the massacres and genocide inside Rwanda last April. This would amount virtually to condemning the majority of innocent women and children for a crime committed by a minority. Should the international community condemn innocent civilians to become pawns in the hands of the perpetrators of genocide? Criminals must be prosecuted. Victims must be protected and assisted.

Does the international communi-

ty have the right to write off innocent victims when they do not fit the political realities?

SADAKO OGATA,

Geneva.

The writer is United Nations High Commissioner for Refugees.

They're Russia's Brightest

William Pfaff says that Russia's younger politicians lack cultivation and education ("These Are Soviet Sloganeers Turned Capitalist Power Seekers," Opinion, Feb. 6). But Yegor Gaidar, Anatoli Chubais, Boris Fedorov, Grigori Yavlinsky and Andrei Kozyrev, five of the most impressive of Russia's younger generation of politicians, all hold doctorates. The indefatigable Mr. Chubais, who mastered Russia's program of mass privatization, remembers nights spent in a Saint Petersburg library reading the works of Friedrich Hayek as the happiest of his life.

Few Western leaders, whom Mr. Pfaff lauds for their cultivation, can claim as much. John Major never went to university and Newt Gingrich speaks in Toffleresque cyber-babble, rather than plain English.

As for Mikhail Gorbachev, who made a better impression on Mr. Pfaff, his habitual grammatical mistakes, misuse of words and accent make educated Russians cringe each time he opens his mouth, despite coaching from his wife. Boris Yeltsin might be no great intellect, but he can speak proper Russian.

ANDREW COWLEY,

Moscow.

The writer is Moscow correspondent of The Economist of London.

How Could the Good Doctor Attract Such Angry Fire?

By Ellen Goodman

BOSTON — In the scheme of things, Dr. Henry Foster is lucky. It's his omission that is in jeopardy, not his life. Dr. Foster does not need a security guard — yet — to go about his daily practice. No one is picketing his house or targeting his family. It is only his chance to become sur-

MEANWHILE

geon-general that is under attack. The weapons this time are the fax and the phone, the press release and the media. The assault is political.

A few days ago, Dr. Foster became Bill Clinton's cautious pick for the bully pulpit from which Joyceelyn Elders was so unceremoniously evicted. Now it appears that this obstetrician-gynecologist, a man who delivered 10,000 babies, a former dean of a medical school and the force behind a teenage pregnancy prevention program, also performed abortions in his 30-year practice. This safe choice has become another target in the abortion war zone.

Suddenly, Senator Bob Dole doesn't "like what I hear, what I read." Senator Orrin Hatch says there are "some very troubling things concerning his nomination." Now the pro-life movement, on the basis of a dubious transcript, claims the doctor performed 700 abortions. The president has added an "if" to his support for the Tennessee: "If the facts are as I understand them to be."

Dr. Foster is losing his footing, his hold on this job. He is sliding down the verbal slippery slope that is greased so regularly by extremists in the pro-life movement.

On their slope, doctors who perform abortions are labeled "abortion doctors" as if they were a species beyond the medical pale. "Abortion docs" are further marginalized as "abortionists" with the M.D. excised altogether. Finally they are branded as "murderers."

A doctor is thus turned into a demon. At the very bottom of the slope are found the bodies of a doctor and his guard in Pensacola, Florida, and two clinic workers in Brookline, Massachusetts. Now, other doctors go to work wearing bulletproof vests and go to sleep with rifles by their beds. Many are simply scared off.

No one has yet called the dignified Dr. Foster a "murderer." At least not in public. Nor has his name been added to the hit list of the "Deadly Dozen" doctors distributed last month — complete with names and addresses — by the American Coalition of Life Activists.

But the push to disqualify this man from public service because he performed abortions is another way to make doctors outcasts. It is part of the effort to make abortion a pariah medical service — illegitimate if not illegal. It is part of the plan by opponents to win by intimidation. To target what they see as the "weak link" in abortion rights — the 3,000 or so doctors who carry out most of the 1.5 million abortions performed each year in the United States.

If Dr. Foster is banned from public office because he performed a legal medical procedure, then what about the others? The doctors, the nurses, the counselors, the clinic workers, indeed, the women who have had abortions?

I am uncomfortable with those who defend Dr. Foster on the ground that he performed only a few abortions or that he did them for good reasons — for the health of the mother, for rape or incest. If his appointment hinges on the right number of abortions or the right kind of abortions, it is still a litmus test on the right to perform abortions.

As head of the public health service, the surgeon-general is in the business of prevention. Public health workers are the medical people who go to the source of the problem.

In this case the source of the problem is unwanted teenage pregnancy. This is where Dr. Foster has spent his energy, in a program called appropriately, "I Have a Future." It is the campaign he has been assigned to wage by the president.

Physicians of Dr. Foster's generation (he is 61) are old enough to remember when women died from illegal abortions. They are old enough to have seen the need for this choice and old enough to have seen the sorrow of facing such a choice. It is not a cliché, but a lifetime of experience, that prompts such a man to say of abortion: "My wish is that it be safe, legal and rare."

This is what most Americans wish. How then did Dr. Foster become such a tempting target?

We live in an era when doctors are being threatened and killed. Their names are on wanted posters. Yet politicians still believe they can appease the people in this increasingly radical movement.

Now Henry Foster, a man who made his mark working to reduce teenage pregnancies, is under attack. And now too we will find out which politicians have the courage to defend one doctor from the folks who make up the hit lists.

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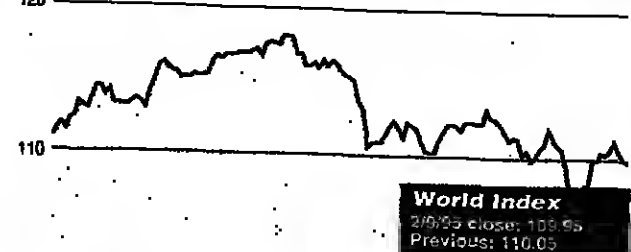
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International Herald Tribune World Stock Index © composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



World Index
2/9/95 close: 109.95
Previous: 110.05

Asia/Pacific
Approx. weighting: 32%
Close: 116.74 Prev: 117.56

Europe
Approx. weighting: 37%
Close: 117.01 Prev: 115.93

North America
Approx. weighting: 28%
Close: 88.57 Prev: 88.73

Latin America
Approx. weighting: 5%
Close: 84.81 Prev: 87.86

World Index
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Industrial Sectors

Sector	This Close	Prev. Close	% Change
Energy	113.53	113.73	-0.18
Utilities	114.89	115.23	-0.30
Finance	108.68	108.96	-0.26
Services	108.61	108.94	-0.30

Sector	This Close	Prev. Close	% Change
Capital Goods	110.77	110.24	+0.48
Raw Materials	128.89	129.18	-0.21
Consumer Goods	103.75	103.75	Unch.
Miscellaneous	117.39	116.47	+0.79

For more information about the index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92221 Neuilly Cedex, France.

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Banking Woes Hit Argentine Bourse

Reuters
BUENOS AIRES—Worries over the stability of its banking system and weakness in other Latin American markets sent Argentina's bourse sharply lower Thursday.

"The market is reeling from a stocks nosedive in Brazil and a local banking scare, and we don't know where this will end," said Alfredo Rava, a trader.

Argentina's weighted MarVal index closed at 396.77 points, down 21.14 or 5.06 percent from its close Wednesday and 10.3 percent on the week, while the country's general index was down nearly 3 percent. Brazil's Bovespa index was down nearly as much, 4.35 percent, while Mexico's Bolsa index fell 1.18 percent.

The Latin American component of the International Herald Tribune World Stock Index fell 3.47 percent.

Lawrence Mallin of the International Herald Tribune reports:

U.S. Treasury Secretary Robert Rubin and Federal Reserve Board Chairman Alan Greenspan appeared before the Senate Banking Committee to defend President Bill Clinton's Mexican rescue package.

Mr. Rubin said Mexico was "within days of some kind of default" when the package was unveiled last month.

In a letter to Newt Gingrich, speaker of the House of Representatives, he disclosed that Mexico would have to publish data every month on its debts and how the money is being used and may have to supply detailed information to the United States on Mexican finances as often as every week.

Mr. Greenspan called the rescue package the "least worst" alternative available.

Caution on U.K. Banks Good Profits May Presage Harder Times

By Erik Ipsen
International Herald Tribune

LONDON—Friday marks the beginning of what promises to be a bruising month for Britain's largest banks.

That is the day Lloyds Bank PLC is widely expected to presage a round of bullish results by announcing a large profit for 1994.

Analysts expect Lloyds to announce a 20 percent jump in pretax earnings, to around £1.25 billion (\$2 billion). That would give Britain's fourth-largest bank a return on equity of better than 23 percent—a figure that Peter Thorne, an analyst with Paribas Capital Markets, called "astonishingly high." He and others noted that Continental banks typically post returns on equity of half that.

HSBC Holdings PLC, owner of Midland Bank, is expected to show 1994 pretax profit of almost £3 billion. Profit at Barclays Bank PLC, which runs Britain's largest domestic branch system, is predicted to reach almost £2.4 billion for the year.

"There will be a big boo-ha over the size of these figures," said Hugh Pye, an analyst for Barclays de Zoete Wedd.

Officials of the opposition Labor Party, which is far ahead of the Tories in the polls, last month threatened the banks with a series of reforms to open up competition and improve service.

But analysts also expect to see a halving of the banks' earnings from securities transactions. They point out that, in spite of rising earnings, lending volumes have been flat, with the exception of mortgages.

"I don't think these earnings are embarrassing," said Ian McEwen, an analyst at Merrill Lynch. "What I think is embarrassing is how much money these banks lost in the last 10 years."

Many experts attribute the present high levels of profitability to the huge bad debts the banks accumulated during the recession. In an effort to restore their balance sheets, British banks took a meat cleaver to their costs, laying off thousands of staffers, shuttering hundreds of branches and pushing up prices of loans.

The legacy of those measures is still very much in evidence, Mr. McEwen calculates that the margin on mortgages extended by the big banks is now 2.2 percent. "That is twice as high as I expect to be sustainable," he said.

See BANKS, Page 15

U.S. Indicts 6 Over Dealings In AT&T Stock

The Associated Press

NEW YORK—Federal prosecutors Thursday indicted six people on securities-fraud charges for making what they called illegal profits on insider tips about the corporate takeover plans of AT&T Corp.

Several others, including a former AT&T labor-relations executive, were implicated in the alleged scheme, which netted \$2 million and was one of the biggest cases of Wall Street corruption since the takeover heyday of the 1980s.

The six defendants were charged with conspiracy to commit securities fraud, fraud in connection with takeover offers, wire fraud and obstruction, Mary Jo White, a U.S. attorney, said.

The indictment says that for more than four years, the defendants were fed illicit tips about the takeover plans of the biggest U.S. long-distance telephone company and used the information to buy and sell securities for profit.

Federal law prohibits this practice, known as insider trading, which proliferated during the 1980s era of takeovers that frequently drove up the stock prices of target companies.

Between December 1988 and last year, Ms. White said, the defendants bought and sold securities of companies that AT&T planned to acquire, acting before other potential investors knew about the company's plans.

The companies targeted were Paradyne, NCR Corp., Digital Microwave Corp. and Teradata Corp.

The defendants were identified as Joseph Cusumano, William Mylet, Robert Flanagan, Thomas Flanagan, Albert Brody and Robert Allen. Mr. Allen is not related to AT&T's chairman, Robert E. Allen.

Four of the six defendants were arrested Thursday morning. If convicted of the criminal violations of securities laws, they face prison terms and fines.

The indictment also said two former AT&T employees already had pleaded guilty to criminal charges related to the scheme. They were identified as Charles Brumfield, a former labor relations manager at AT&T's Morristown, New Jersey, office, and and Thomas Alger, his aide.

TCI to Sell New Shares In Two Units

The Associated Press

ENGLEWOOD, Colorado—TeleCommunications Inc. has announced plans to distribute a new class of common stock linked to Liberty Media, its domestic programming unit, and sell shares of its international business unit to the public.

The restructuring was approved by TCI's board following its evaluation of a restructuring proposal made public late last year, the company said.

TCI, the largest U.S. cable television company, said its actions would not include distribution of additional classes of common stock for its other business groups. In November, TCI announced a plan to create stock in four of its businesses but had not decided how or when to sell the shares.

The restructuring, announced Wednesday, calls for the distribution of a new class of TCI common stock intended to "track and reflect the progress" of Liberty Media. TCI said the stock would be distributed as a stock dividend to shareholders.

Saatchi Brothers Plot a Reunion

Reuters

LONDON—Charles Saatchi, who co-founded Saatchi & Saatchi Co. and still works there, has said he plans to join the agency that his brother Maurice started after he was ousted from the advertising giant he helped create.

Charles is president of Saatchi & Saatchi, a largely honorary role, on a £312,500 (\$485,000) salary. Four years remain on his contract, but industry sources said it would not be renewed.

A Saatchi spokesman said Charles, who does little day-to-day work but is in charge of the prestigious Silk Cut tobacco advertisements, would be held to his contract.

"He won't be joining immediately," the spokesman said. "We have no reason to sack him. He is contracted to us."

Maurice Saatchi was fired as chairman of Saatchi & Saatchi in December after a shareholder revolt. Maurice was offered a diminished role but refused it.

The company is now seeking injunctions to stop Maurice Saatchi and other top executives who have quit to join his new agency from poaching more staff or clients.

In an affidavit read in court as Saatchi & Saatchi began legal action against Maurice, Charles said he would join his brother's firm, called Dress Rehearsal, as soon as he was free from his current obligations.

The court hearing had been scheduled to finish Thursday but did not and was set to resume Friday.

"We haven't finished having our say yet," a spokesman for Saatchi & Saatchi said.

Thinking Ahead / Commentary

Britain Is Shutting Itself Out of the EU

By Reginald Dale
International Herald Tribune

WASHINGTON—For much of the past millennium, Britain and France have competed to be Europe's top nation. So long as the contest was military, Britain usually came out ahead—at least in the past five centuries.

But now that the weapons are diplomatic, France's main rival—and partner—is Germany. Britain has fallen far behind in the race for European leadership.

In a recent study of France's role in Europe, Steven Philip Kramer of Washington's National Defense University concluded that "perhaps no European country has been so effective in translating its potential into political influence."

Britain has managed to achieve the opposite—no other European country has squandered so much potential political influence. And the British political establishment is once again demonstrating how that has happened as it wrangles over the next challenge on the horizon, the constitutional conference next year to review the workings of the European Union.

The chauvinism and negativity of the debate—particularly among the governing Conservatives—underline how few Britons have grasped the realities of the country's declining power.

France has a notorious history of warring the veto in EU affairs. But the French understand, in Mr. Kramer's words, that "France cannot be Europe's

political leader if it is a roadblock to, rather than a shaper of, consensus. Britain, on the other hand, is busy putting up as many roadblocks as it can. The government is defining its position

The British government is defining its position almost entirely in terms of what it will oppose.

almost entirely in terms of what it will oppose, and Prime Minister John Major is allowing himself to be propelled by political expediency ever further into the anti-European camp.

The government has threatened to veto any changes that have "constitutional implications for Britain," even if they are needed to facilitate the EU's expansion into Central Europe, supposedly a prime British objective.

Mr. Major and his ministers say Britain will not go along with a single currency in 1997, even if its partners do so. Britain has also made little attempt to propose anything constructive that would make Europe more united or better run. The British approach is apparently to wait and see what the others want, and then try to torpedo it.

Mr. Major, of course, is hostage to anti-Europeans in his own party whose support he needs to govern. But even the

more pro-European Labor Party is heavy on the negatives.

Robin Cook, Labor's foreign-affairs spokesman, has ruled out a common foreign and security policy, to which Britain is committed under the 1991 Maastricht Treaty, and has rejected the Maastricht criteria for economic and monetary union. Ironically, the British, who once took pride in their differences from France, are now stressing the two countries' similarities and looking for French support for their nationalistic stand. And France's governing Gaullists are not unsympathetic.

"There is no question of isolating or rebuffing Britain," says Alain Juppé, the French foreign minister. But Britain should not delude itself. As one senior French official said, "If Britain is saying public opinion is not ready for a big new leap forward to European integration, we can agree. But if Britain is saying it wants to halt the integration process, we cannot."

The problem is that Britain's objectives are self-contradictory. It wants to remain among the leading European nations, but its negative policies are making it more likely that the others will go ahead and build Europe without it.

Former Foreign Secretary Geoffrey Howe was right to warn last week that if Britain makes the EU "unworkable," France, Germany and their friends "will find other solutions that exclude us." More precisely, Britain will have excluded itself.

Morrison-Knudsen Ready to Oust Chief

By Diana B. Henriques
New York Times Service

SAN FRANCISCO—Confronting what is perhaps the worst financial crisis in the company's 82-year history, the directors of Morrison-Knudsen Corp. were to meet Thursday to debate whether William Agee, the chairman and chief executive, should be required to leave immediately.

Only last week, as the company disclosed it would report a substantial loss for 1994, it offered a vague timetable for Mr. Agee to leave the company this year.

If Mr. Agee is forced to leave, it would be his second unceremonious departure from a troubled company. In 1982, after launching a corporate takeover that backfired on him, he left Bendix Corp. as chairman and chief executive after it was acquired by the Allied Corp., now AlliedSignal Inc.

Morrison-Knudsen's official plan was for a search committee, which included Mr. Agee, to seek a chief executive officer to lead a turnaround of the construction and transit equipment manufacturer.

Mr. Agee, who has held his posts since 1983, planned to hold onto the chairmanship until 1998, when he turns 60.

But now some members of the board are resisting Mr. Agee's plans. That resistance reflects concern that Mr. Agee has allowed the company's business and employee morale to deteriorate, that he has not kept directors and shareholders adequately informed about its problems and that he has been remiss in attempting to cope with the troubles of the company—which is based in Boise, Idaho—from his seaside estate in Pebble Beach, California.

"Succession is the key issue, and that has been accelerated," one individual close to the board said.

He noted that several directors believed the company must act quickly to reassure its bank lenders and its employees—"all its constituents, really"—that new leadership is in place to cope with the situation.

According to several people close to the board, opposition to Mr. Agee is led by two notable newcomers to the board, William Clark, a national security adviser under President Ronald Reagan, and Zbigniew Brzezinski, who held the same job under President Jimmy Carter.

Both joined the board last year and have been known to have pressed Mr. Agee and senior Morrison-Knudsen executives for better information about the company's mounting troubles.

A spokesman for Mr. Agee said Wednesday that he was not available for interviews.

On the New York Stock Exchange, Morrison-Knudsen fell 25 cents to \$9.625. The stock plummeted 24 percent on Feb. 1 when the company first projected a loss and disclosed Mr. Agee's plans.

At that time, Morrison-Knudsen also said its financial picture had eroded to the point where it no longer complied with terms set by banks who had extended more than \$300 million in unsecured credit. Its default on those terms gives the banks the right to press for repayment, a demand that the company cannot now meet.

Thus, its continued access to credit hinges on its ability to persuade its lenders, led by J. P. Morgan & Co., that it is putting its affairs in order.

In addition, for Morrison-Knudsen to obtain new business, it must demonstrate sufficient financial strength to obtain the surety bonds required of contractors who bid on large construction projects.

Bonding companies that issue these bonds guarantee that the company will complete the work it has agreed to do, and they therefore must be satisfied that Morrison-Knudsen has the means to do so.

Apparently at Mr. Clark's insistence, the New York law firm of Simpson, Thacher & Bartlett has been hired to advise the independent directors, and lawyers from the firm will be present at Thursday's meeting.

CURRENCY & INTEREST RATES

Cross Rates									
	\$	DM	FF	Yen	£	Sw	Sc	DK	Fin
Amsterdam	1.740	2.467	1.937	1.618	1.645	1.325	1.233	1.281	1.382
Berlin	3.145	4.345	3.475	2.914	2.955	2.475	2.325	2.373	2.474
Frankfurt	1.515	2.072	1.628	1.340	1.362	1.125	1.055	1.093	1.167
London	1.254	1.710	1.340	1.100	1.115	0.915	0.855	0.885	0.940
Paris	17.462	23.774	18.774	15.464	15.722	12.775	11.947	12.327	12.979
Stockholm	1.043	1.425	1.100	0.894	0.915	0.745	0.695	0.725	0.770
Switzerland	1.483	2.015	1.585	1.300	1.325	1.075	1.005	1.045	1.100
Oslo	1.374	1.875	1.465	1.200	1.225	1.005	0.935	0.975	1.030
Stockholm	1.374	1.875	1.465	1.200	1.225	1.005	0.935	0.975	1.030
Tokyo	139.75	190.00	148.00	120.00	122.00	100.00	93.00	97.00	103.00
Yokohama	139.75	190.00	148.00	120.00	122.00	100.00	93.00	97.00	103.00
1 ECU	1.361	1.874	1.465	1.200	1.225	1.005	0.935	0.975	1.030
1 SDR	1.463	1.997	1.565	1.280	1.305	1.055	0.985	1.025	1.080

Chains in Amsterdam, London, Paris, New York and Zurich, Europe in other centers.
Toronto, rates at 3 A.M.
*: To buy one dollar; **: To buy one pound; ***: Units of 100; N.A.: not quoted; N.A.: not available.

Other Dollar Values

Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$
Australian	1.490	Green. franc	2.000	Italian	1.366	Sw. franc	2.000
Canadian	0.710	Hong Kong	7.750	Japanese	106.00	Swiss	1.475
French	6.549	India	31.10	Mark	1.366	Thai	25.00
German	1.936	Indonesia	1,547	Pound	0.756	Yen	106.00
Italian	1.366	Malaysia	2.340	Sterling	0.756		
Japanese	106.00	Philippines	49.60				
Mark	1.366	Singapore	1.366				
Pound	0.756	Taiwan	24.60				
Sterling	0.756	Thailand	25.00				
Swiss	1.475	US dollar	1.000				
Thai	25.00	Yen	106.00				
Yen	106.00						

Sources: ING Bank (Amsterdam); Deutsche Bank (Frankfurt); Banca Commerciale Italiana (Milan); Agence France-Press (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Bloomberg, Reuters and A.P.

UBS Takes Offensive In War With BK Vision

Bloomberg Business News

ZURICH—After losing two court decisions in as many weeks, Union Bank of Switzerland took the offensive Thursday, drawing Montres Rolex SA into its legal battle with BK Vision AG, the bank's largest shareholder.

Following a court decision on Wednesday that blocked, at least temporarily, the introduction of UBS's controversial new share structure, the bank said BK Vision exceeded its 5 percent voting limit during a Nov. 22 shareholders meeting that narrowly approved the plan.

Rolex owns 27.8 percent of BK Vision, an investment company controlled by the financier Martin Ebner. UBS alleges that Rolex and BK Vision voted as a block, exceeding BK Vision's voting limit for registered shareholders. Both BK Vision and Rolex denied they could be considered as a block.

BK Vision contends UBS's plan to unify the bank's dual share structure unjustly dilutes the value of registered shares. BK Vision controls 18 percent of UBS registered shares and 2.7 percent of the bank's shares. UBS also is fighting a claim of vote manipulation and has

been unable to persuade judges that it did not cast invalid votes to win approval of the plan.

Madeleine Hoffmann, a banking analyst at Credit Suisse, said UBS was "accusing BK Vision of what BK Vision accused them of," adding, "UBS must be scared."

The same five-member commercial court will rule on BK Vision's primary suit and on UBS's countersuit. A ruling could take months, and the case is eventually expected to land in Switzerland's highest court.

Analysts said the two sides should compromise.

Both face massive legal costs, and damage to their images.

"I can't believe they haven't struck a deal," said Ian McEwen, a banking analyst at Merrill Lynch International Inc. "This is crazy, petty and stupid."

Although the battle has not necessarily hurt UBS stock, it is not conducive to devising new business strategies, analysts said.

"This degree of uncertainty can't help them," said John Leonard, an analyst at Salomon Brothers Inc. "If you want to make a major strategic move, the discussion in the shareholder or ranks makes it less easy."

DIVIDEND NOTICE

INTERNATIONAL CONVERTIBLE GROWTH FUND
Fonds Commun de Placement
11, rue Aldringen, Luxembourg

A dividend of USD 0.20 per unit has been declared payable on or after February 17, 1995, to unitholders on record on February 9, 1995 against surrender of coupon N° 11. The latter date will also be ex-dividend date for the pricing of the Fund's shares.

EUROPE VALUE FUND
Fonds Commun de Placement
11, rue Aldringen, Luxembourg

A dividend of USD 0.50 per unit has been declared payable on or after February 17, 1995, to unitholders on record on February 9, 1995 against surrender of coupon N° 6. The latter date will also be ex-dividend date for the pricing of the Fund's shares.

MARKET DIARY

Technology Stocks
Outshine Others

NEW YORK — Stocks closed mixed Thursday, with technology issues offering the only bright spot in an otherwise lackluster market.

Stocks also responded to a drop in the bond market, where the price of the 30-year Treasury bond fell 13/32 to 97 29/32, bringing its yield up to 7.68 percent from 7.64 percent Wednesday.

Investors were cautious ahead of the release Friday of January producer-price data, a key inflation indicator.

The Dow Jones industrial average fell 2.69 points to 3,932.68, but advancing issues outnumbered declining ones on the New York Stock Exchange by a 11-to-10 margin.

"Technology is stealing the show," said Philip Orlando, a fund manager at First Capital Advisors. "A lot of companies are upgrading their technology to improve productivity so as not to increase prices and lose market share."

Apple Computer rose 1 5/16 to 43 1/2. International Business Machines rose 3/4 to 75, while Compaq Computer gained 3/4 to 37 1/2. Semiconductor companies, which stand to gain if com-

puter sales increase, also advanced. Intel rose 3/4 to 77 1/2, Texas Instruments surged 3 1/2 to 78 1/2, and Micron Technology jumped 2 1/4 to 30 1/2.

Shares of Amgen took a roller-coaster ride. The biotechnology company's shares first gained amid speculation that Bristol-Myers Squibb was in talks to buy it, then fell after Bristol-Myers denied the rumor. Amgen was the most active issue on the Nasdaq market.

Teléfonos de México was the most active issue on the New York Stock Exchange. American depositary receipts representing shares in the Mexican phone company fell 1 1/4 to 32 1/2.

Friday's producer-price report will give investors clues about whether inflation is slowing and whether interest rates are going to stabilize, traders said.

Higher rates hurt stocks because they raise the cost of borrowing, cutting into corporate profits. They also encourage people to put their money in fixed-rate investments that are perceived as less risky than stocks.

"The key is going to be tomorrow's number," Greg Riley of CS First Boston said. "If it's lower than expected, I think the market will continue to advance." (AP, Bloomberg)

Dollar Under Pressure
Before Producer Prices

NEW YORK — The dollar slipped against most other major currencies Thursday amid speculation that the producer price report on Friday could reignite inflation concerns and derail recent stock and bond rallies.

The dollar's fate has been tied to the asset markets since a weaker-than-expected employment report last week eased inflation concerns and sent bonds higher.

Strong demand for U.S. assets often helps the dollar because foreigners must buy dollars to invest in stocks and bonds.

These rallies could sputter if the producer price report shows inflation to be accelerating, traders said.

The dollar closed at 1.5283 Deutsche marks, down from 1.5305 DM on Wednesday, and

at 98.895 yen, down from 98.925 yen.

The dollar also weakened to 5.2860 French francs from 5.2945 francs and fell to 1.2933 Swiss francs from 1.2955 francs.

The pound rose to \$1.5575 from \$1.5537.

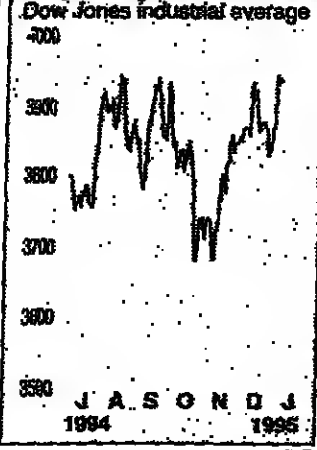
"The focus is on the PPI numbers tomorrow," said Brian Hilliard, international economist at Société Générale Strauss Turnbull. "The sentiment in the U.S. market is very confident that inflation is under control. Anything that causes people to revise their forecast will therefore have a big impact."

A big rise in producer prices "will be very bad for bonds and very bad for the dollar," said David De Rosa, director of foreign exchange trading at Swiss Bank Corp. That would prompt speculation that the Federal Reserve Board will raise interest rates again, traders said.

(Bloomberg, Reuters, AFP)

The Dow

Daily closings of the Dow Jones industrial average



NYSE Most Active

Vol.	High	Low	Last	Chg.
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4

NASDAQ Most Active

Vol.	High	Low	Last	Chg.
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4

AMEX Most Active

Vol.	High	Low	Last	Chg.
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4
Amgen	32.00	31.75	32.00	+1/4

Market Sales

NYSE	AMEX	NYSE	AMEX
1,234,567	123,456	1,234,567	123,456
1,234,567	123,456	1,234,567	123,456
1,234,567	123,456	1,234,567	123,456

Dow Jones Averages

Index

Index	High	Low	Last	Chg.
Indus	3941.00	3932.00	3932.68	-2.69
Trans	1200.00	1198.00	1198.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Standard & Poor's Indexes

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

NYSE Indexes

Index	High	Low	Last	Chg.
Composite	1000.00	998.00	998.00	-0.00
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00

NASDAQ Indexes

Index	High	Low	Last	Chg.
Composite	1000.00	998.00	998.00	-0.00
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00

AMEX Stock Index

Index	High	Low	Last	Chg.
Composite	1000.00	998.00	998.00	-0.00
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00

Dow Jones Bond Averages

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

NYSE Diary

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

AMEX Diary

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

NASDAQ Diary

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Spot Commodities

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Industrials

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

EUROPEAN FUTURES

Index

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Metals

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

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Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

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Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
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3-MONTH EURO DOLLAR (LIBOR)

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Comp	1000.00	998.00	998.00	-0.00

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Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

3-MONTH EURO DOLLAR (LIBOR)

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Stock Indexes

Index

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Stock Indexes

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Stock Indexes

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
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Comp	1000.00	998.00	998.00	-0.00

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Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Stock Indexes

Index	High	Low	Last	Chg.
Indus	1000.00	998.00	998.00	-0.00
Trans	1000.00	998.00	998.00	-0.00
Comp	1000.00	998.00	998.00	-0.00

Stock Indexes

Source Corp	1125	2-21	2-1
Svcs	25	4-0	5-1
dia	57	2-17	2-26
Scp	56	3-15	3-31
hols	217	2-17	2-1
pt	29	3-23	4-13
Q200	57	2-16	2-24

= payable in Canadian funds; = quarterly; = semi-annual

Division

EUROPE

Price Cuts Take Toll at BT

Tougher Regulation Blamed for Profit Drop

LONDON — British Telecommunications PLC said Thursday that its third-quarter profit fell 5.4 percent as price cuts enforced by regulators took their biggest toll yet on Britain's largest company.

BT said pretax profit in the three months ended Dec. 31 fell to £660 million (\$1 billion) from £698 million in the same period in 1993. Revenue rose 1 percent to £3.47 billion.

BT said nine-month pretax profit fell 2 percent to £2.15 billion, on a 1.2 percent rise in revenue, to £10.32 billion.

The company said a 7 percent increase in domestic call volume for the nine months was

Ericsson Sets Record With Profit

STOCKHOLM — Shares in LM Ericsson AB climbed 4 percent Thursday after the company posted a 70 percent rise in fourth-quarter pretax profit and record 1994 earnings.

The company said its pretax profit rose to 2.12 billion kronor (\$284 million) in the fourth quarter from 1.25 billion kronor a year earlier.

Net profit, however, fell 13 percent to 1.66 billion kronor, because Ericsson had a tax credit of 654 million kronor in the fourth quarter of 1993. Sales rose 36 percent to 27.98 billion kronor.

For the full year, pretax profit rose 80 percent, to 5.61 billion kronor, and net profit rose 38 percent, to 3.94 billion kronor. Annual sales increased to 82.55 billion kronor from 62.95 billion kronor.

The result was higher than analysts expected, and the company's B shares climbed to 427.50 kronor from 412 kronor. Ericsson's board proposed raising the dividend for 1994 to 5.5 kronor a share from 4.5 kronor.

Ericsson also said it would propose a 4-for-1 stock split at its shareholders' meeting May 10.

Kansallis to Merge With Union Bank

HELSINKI — Unitas Ltd., the parent company of Union Bank of Finland Ltd., said Thursday it would merge with Kansallis-Osake-Pankki to form Finland's largest commercial bank.

The merged banking company would be one of the largest in Scandinavia, with more than 3 million retail customers, 150,000 corporate customers and total assets of about 300 billion markkaa (\$63.5 billion).

Kansallis will own 42 percent of the new company, and Unitas will own 58 percent, Unitas said. The name of the new bank has not yet been chosen.

Vesa Vainio, the president of Unitas, will be president of the new holding company. Pertti Voutilainen, his counterpart at Kansallis, will serve as chief executive of the new bank.

Current Kansallis shares will be exchangeable into shares of the new company on a 3-for-1 basis.

Trading in the shares of the two companies was suspended Thursday, but Kansallis closed at 4.87 markkaa Wednesday, with Unitas's A shares at 11.30.

"If the merger goes ahead, the new bank will have an extraordinarily dominant position in the Finnish banking system," IBCA, the European credit-ratings company, said, "although the challenge of merging the two largest Finnish banks, which are a similar size, should not be underestimated."

IBCA confirmed the long-term and short-term credit ratings of both Kansallis and Union Bank of Finland. Both companies are rated A-minus for long-term debt and A1 on short-term debt.

"The merger of the two banks will permit a major restructuring and substantial cost savings," Unitas said. The company said it expected savings of as much as 1.5 billion markkaa a year.

Unitas said its 1995 earnings should be positive but warned they would be "encumbered" by charges related to the transaction. "The merger will mean a significant improvement in the results outlook from 1995 on," the company said.

Union Bank posted a loss of about 1.3 billion markkaa last year, while Kansallis had a loss of about 1.8 billion markkaa.

The merger, which is expected to be completed by Dec. 31, would result in the elimination of between 5,000 and 6,000 jobs by the end of 1997 and could mean the closure of as many as 335 of the companies' combined 775 branches.

A merger would be the best way to handle excess capacity in the Finnish banking industry, said Tauno Matomaki, chairman of Repola Corp., one of the main shareholders in Kansallis.

"The large corporations have grown so big that the banks have become too small," he said.

Mr. Vainio said the initiative had come from the banks' owners. (Bloomberg, AFX, Reuters)

Investor's Europe			
Frankfurt DAX	London FTSE 100 Index	Paris CAC 40	
2300	3300	2100	
2200	3200	2000	
2100	3100	1900	
2000	3000	1800	
1900	2900	1700	
1800	2800	1600	
1700	2700	1500	
1600	2600	1400	
1500	2500	1300	
1400	2400	1200	
1300	2300	1100	
1200	2200	1000	
1100	2100	900	
1000	2000	800	
900	1900	700	
800	1800	600	
700	1700	500	
600	1600	400	
500	1500	300	
400	1400	200	
300	1300	100	
200	1200	0	
100	1100	-100	
0	1000	-200	
-100	900	-300	
-200	800	-400	
-300	700	-500	
-400	600	-600	
-500	500	-700	
-600	400	-800	
-700	300	-900	
-800	200	-1000	
-900	100	-1100	
-1000	0	-1200	
-1100	-100	-1300	
-1200	-200	-1400	
-1300	-300	-1500	
-1400	-400	-1600	
-1500	-500	-1700	
-1600	-600	-1800	
-1700	-700	-1900	
-1800	-800	-2000	
-1900	-900	-2100	
-2000	-1000	-2200	
-2100	-1100	-2300	
-2200	-1200	-2400	
-2300	-1300	-2500	
-2400	-1400	-2600	
-2500	-1500	-2700	
-2600	-1600	-2800	
-2700	-1700	-2900	
-2800	-1800	-3000	
-2900	-1900	-3100	
-3000	-2000	-3200	
-3100	-2100	-3300	
-3200	-2200	-3400	
-3300	-2300	-3500	
-3400	-2400	-3600	
-3500	-2500	-3700	
-3600	-2600	-3800	
-3700	-2700	-3900	
-3800	-2800	-4000	
-3900	-2900	-4100	
-4000	-3000	-4200	
-4100	-3100	-4300	
-4200	-3200	-4400	
-4300	-3300	-4500	
-4400	-3400	-4600	
-4500	-3500	-4700	
-4600	-3600	-4800	
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Thursday's 4 p.m.
This list compiled by the AP, consists of the 1,000 most traded National Market securities in terms of dollar value. It is updated twice a year.

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Thursday's 4 p.m. Close
Tables include the nationwide prices up to the closing on Wall Street and do not reflect interstate trades elsewhere. Via The Associated Press

Thursday's 4 p.m. Close
Tables include the nationwide prices up to the closing on Wall Street and do not reflect trades elsewhere. Via The Associated Press

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SPORTS

For Snooker's Champ, No Pound Signs on the Pockets

By Ian Thomsen
International Herald Tribune

LONDON — Two weeks before his 13th birthday, Stephen Hendry's parents gave him a miniature snooker table for Christmas. Thirteen years later, that table has made him a millionaire. He is a Scot with short blond hair, cowlicks and a beard. He is the best snooker player in the world.

"It was a complete fluke," he said. "I'd never played before, I'd overwatched it on TV. I was walking by one of the shops with my mother and I guess I saw one in the window and told her, 'That would be nice to have one of those.'"

The table lived with him in his small bedroom. It was about one-fourth the size of an adult snooker table, and to avoid scuffing the wall he would have to jab down on the cue ball. Within four months his talent had outgrown the surroundings and he began playing at something called the Malcoos Snooker Club.

Billiards has the image of a seedy, city game played by sharks, career drinkers, talented losers — but more gentle than boxing. Malcoos was that kind of forgettable place. Hendry played there for only a little while, but he recalls that the balls weren't all the same shade of red, and the players didn't seem to have anywhere better to go. Hendry did, to a nicer club and he isn't romantic about Malcoos, though it sounds like one of those pool halls from "The Hustler," in which Paul Newman shot it out with Jackie Gleason as Minnesota Fats.

"I've overseen it," Hendry said of the movie.

What? Every priest reads the Bible.

"Everyone says I should," he said. "But I keep missing it when it's on TV, and you can't seem to buy it on video."

He seems to have passed through Malcoos without meeting a role model. Lucky him. In those days, Hendry could barely see over the table. He dropped out of school a few months early, his teachers predicting failure.

He was professional at 16. The other top Scottish players were systematically challenged to matches against the future world No. 1, with his manager, Ian Doyle, staking up to £1,000 on Hendry. Anyone who ever saw "The Hustler" might view this as his romantic period. Minnesota Fats, Willie Mosconi, legendary made his name that way — making darts in another man's club, risking his own money, whiskey on the breath.

It must have been something. "Generally, I lost," Hendry said. "I probably cost Ian 5,000 or 6,000 pounds."

How did Doyle react to that?

"I don't think you could print it," Hendry said. "He was pretty upset, but playing money matches didn't give me a buzz. I like the money now, but for me it's always been titles. The money is a nice bonus at the end, but I've overseen pound signs at the backs of the pockets."

Hendry's winnings last year amounted to £419,770, which is slightly over \$650,000. He has held 51 major titles since he became the youngest to win one at 19; he was 21, another record, when he won the first of his four world championships. His main desire is to overtake the record of six world titles held by Steve Davis, who currently is ranked No. 2 in the world, behind Hendry.

Hendry travels as far as Asia to compete in 15 or 16 tourna-

ments per year. In between events he practices for five or six hours a day at his club in Edinburgh. He doesn't keep a snooker table in his home, and he owns just the one tuxedo, which he wears to tournaments and weddings alike.

He gives out more than 10 exhibitions a year, or does he know how to do the usual trick shots. He is the consummate pro of the new professional era. But, come to think of it, Jack Nicklaus has never done trick shots either.

"I don't think about snooker when I'm out playing or practicing," Hendry said. "I like to think of it as a job, where I go in the same time every day. Usually I go to the club in the morning around 10 and play until around 5 P.M., with a break for lunch. I just play in the club next to all the members, but it's quiet during the day. Some-

times it can be a bit of drudgery, because there's nothing more I can learn on the technical side. But I love playing from the competitive side."

He won his third consecutive world championship last year despite a hairline fracture of his left elbow suffered midway through the second round. In Minnesota Fats' day, it would have happened at 3 A.M. in an alleyway, but that, barfooted, he slipped in the bathroom. Returning to bed, he awoke the next morning with his arm swollen stiff. The elbow was drained of fluid at the hospital, allowing him to bend his support arm enough to lean his hand flat on the table, and he won all seven frames that night. He went on to beat his teenage hero, Jimmy White, by 18-17 over two days in the final.

The most sinister thing hap-

pened to him four years ago, when he left his cue in a tournament practice room and returned two minutes later to find it had been stolen. Ian Doyle offered a reward of £10,000 for its return.

"The guy who was caught for stealing it and the guy who handed it in had the same surname," Hendry said. "The police thought there was a 99 percent chance that they were involved together, but they couldn't prove it. Ian had to pay the £10,000 reward to get the cue."

It's the same £50 cue Hendry has owned since he was 14. "All the players who see it think it's a terrible cue. They don't know how I can play with it. Most cues are made of ash, but mine's maple — more whippy."

"When mine was stolen, I had another cue flown down. It was an exact replica to the one I

had, the same dimensions, the same weight, but I couldn't put a ball with it. That's true for most of the players — very few can change their cue. Now, obviously, I don't let it out of my sight for a minute."

At 26 and successful beyond his imagination, he wonders what he might do should he break Davis' record in the next five years. It's not a good time for imagining, in between rounds of the Benson & Hedges Masters this week, because he intends to concentrate on this job. Still, he could begin a new life while still young, doing all the things he never had time to do. Few of the great players ever escaped with that chance.

But, Hendry said, "I think I'd always be involved in snooker. I love it, but it's also more or less all I know, and I think at 30 it would be too late for me to learn another career."



Bordeaux fans, upset over a 1-0 loss to visiting Le Havre, first confronted police, then damaged cars in the parking lots.



A Chelsea supporter being restrained by police in London.

'Fair Play' England Hit by New Violence

The Associated Press

NYON, Switzerland — Italy, France, Germany and England have each gained four spots in next season's UEFA Cup. It was announced Thursday.

Belgium, Spain, Portugal and Russia each will have three.

Italy, France and Germany got their four based on a points system that grades each country's clubs in European competitions for the last five years.

England gained three berths from that system, plus a fourth because it was in the top three of UEFA's "fair play" ranking, which rewards "sportsmanlike conduct of players, officials and spectators."

Norway and Luxembourg were the other two countries gaining a "fair play" berth. The top three were determined in October, before the latest incidents of violence in England.

In London, 19 fans were charged Thursday in connection with a rampage that followed the FA Cup game between Chelsea and Millwall, which ended with the First Division's Millwall eliminating the Premier League team in a penalty shootout.

A large number of Chelsea fans invaded the field and clashed with mounted police and some Millwall players.

Further clashes between fans and police continued outside the stadium.

Scotland Yard said that at least 20 police officers had been hospitalized with head injuries. Nine others had minor injuries.

In Milan, where AC Milan won the European Super Cup by beating Arsenal, 2-0, on goals by Zvonimir Boban and Daniele Massaro, there were no problems with the crowd at the match. Police reported some incidents involving English fans beforehand.

SCOREBOARD

NBA Standings

EASTERN CONFERENCE

Atlantic Division

Team	W	L	Pct	GB
Orlando	31	17	.645	—
New York	30	18	.625	1
Boston	29	19	.604	2
New Jersey	28	20	.583	3
Atlanta	27	21	.562	4
Philadelphia	26	22	.541	5
Washington	25	23	.520	6

Central Division

Team	W	L	Pct	GB
Charlotte	28	19	.596	—
Cleveland	27	20	.575	1
Indiana	26	21	.554	2
Chicago	25	22	.533	3
Albany	24	23	.512	4
Milwaukee	23	24	.491	5
Detroit	22	25	.470	6

WESTERN CONFERENCE

Midwest Division

Team	W	L	Pct	GB
Utah	31	17	.645	—
San Antonio	30	18	.625	1
Houston	29	19	.604	2
Denver	28	20	.583	3
Dallas	27	21	.562	4
Minnesota	26	22	.541	5

Pacific Division

Team	W	L	Pct	GB
Phoenix	31	17	.645	—
Seattle	30	18	.625	1
L.A. Lakers	29	19	.604	2
Portland	28	20	.583	3
Sacramento	27	21	.562	4
Golden State	26	22	.541	5
L.A. Clippers	25	23	.520	6

WEDNESDAY'S RESULTS

Team	W	L	Pct	GB
Cleveland	31	17	.645	—
Boston	30	18	.625	1
C. Williams	29	19	.604	2
L.A. Lakers	28	20	.583	3
Portland	27	21	.562	4
Sacramento	26	22	.541	5
Golden State	25	23	.520	6
L.A. Clippers	24	24	.500	7

NHL Standings

EASTERN CONFERENCE

Atlantic Division

Team	W	L	T	Pct	GB
Quebec	31	17	1	.645	—
Montreal	30	18	1	.625	1
Ottawa	29	19	1	.604	2
Toronto	28	20	1	.583	3
Boston	27	21	1	.562	4
Philadelphia	26	22	1	.541	5
Pittsburgh	25	23	1	.520	6

Central Division

Team	W	L	T	Pct	GB
St. Louis	31	17	1	.645	—
Chicago	30	18	1	.625	1
Calgary	29	19	1	.604	2
Edmonton	28	20	1	.583	3
Winnipeg	27	21	1	.562	4
Vancouver	26	22	1	.541	5
San Jose	25	23	1	.520	6

WESTERN CONFERENCE

Midwest Division

Team	W	L	T	Pct	GB
San Jose	31	17	1	.645	—
Los Angeles	30	18	1	.625	1
San Diego	29	19	1	.604	2
Phoenix	28	20	1	.583	3
Colorado	27	21	1	.562	4
Utah	26	22	1	.541	5
Calgary	25	23	1	.520	6

Pacific Division

Team	W	L	T	Pct	GB
Los Angeles	31	17	1	.645	—
San Jose	30	18	1	.625	1
San Diego	29	19	1	.604	2
Phoenix	28	20	1	.583	3
Colorado	27	21	1	.562	4
Utah	26	22	1	.541	5
Calgary	25	23	1	.520	6

WEDNESDAY'S RESULTS

Team	W	L	T	Pct	GB
Cleveland	31	17	1	.645	—
Boston	30	18	1	.625	1
C. Williams	29	19	1	.604	2
L.A. Lakers	28	20	1	.583	3
Portland	27	21	1	.562	4
Sacramento	26	22	1	.541	5
Golden State	25	23	1	.520	6
L.A. Clippers	24	24	1	.500	7

Top 25 College Results

NBA Standings

EASTERN CONFERENCE

Atlantic Division

Team	W	L	Pct	GB
Orlando	31	17	.645	—
New York	30	18	.625	1
Boston	29	19	.604	2
New Jersey	28	20	.583	3
Atlanta	27	21	.562	4
Philadelphia	26	22	.541	5
Washington	25	23	.520	6

Central Division

Team	W	L	Pct	GB
Charlotte	28	19	.596	—
Cleveland	27	20	.575	1
Indiana	26	21	.554	2
Chicago	25	22	.533	3
Albany	24	23	.512	4
Milwaukee	23	24	.491	5
Detroit	22	25	.470	6

WESTERN CONFERENCE

Midwest Division

Team	W	L	Pct	GB
Utah	31	17	.645	—
San Antonio	30	18	.625	1
Houston	29	19	.604	2
Denver	28	20	.583	3
Dallas	27	21	.562	4
Minnesota	26	22	.541	5

Pacific Division

Team	W	L	Pct	GB
Phoenix	31	17	.645	—
Seattle	30	18	.625	1
L.A. Lakers	29	19	.604	2
Portland	28	20	.583	3
Sacramento	27	21	.562	4
Golden State	26	22	.541	5
L.A. Clippers	25	23	.520	6

WEDNESDAY'S RESULTS

Team	W	L	Pct	GB
Cleveland	31	17	.645	—
Boston	30	18	.625	1
C. Williams	29	19	.604	2
L.A. Lakers	28	20	.583	3
Portland	27	21	.562	4
Sacramento	26	22	.541	5
Golden State	25	23	.520	6
L.A. Clippers	24	24	.500	7

Other Major College Scores

NBA Standings

EASTERN CONFERENCE

Atlantic Division

Team	W	L	Pct	GB
Orlando	31	17	.645	—
New York	30	18	.625	1
Boston	29	19	.604	2
New Jersey	28	20	.583	3
Atlanta	27	21	.562	4
Philadelphia	26	22	.541	5
Washington	25	23	.520	6

Central Division

Team	W	L	Pct	GB
Charlotte	28	19	.596	—
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Chicago	25	22	.533	3
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Detroit	22	25	.470	6

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L.A. Clippers	25	23	.520	6

WEDNESDAY'S RESULTS

Team	W	L	Pct	GB
Cleveland	31	17	.645	—
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C. Williams	29	19	.604	2
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Portland	27	21	.562	4
Sacramento	26	22	.541	5
Golden State	25	23	.520	6
L.A. Clippers	24	24	.500	7

DENNIS THE MENACE

NBA Comes Down
Hard on Maxwell

The Associated Press
SACRAMENTO, California — Vernon Maxwell, the volatile player whose aggressive play has often won games for the Houston Rockets, has been suspended for at least 10 games and fined \$20,000 by the National Basketball Association for going into the stands and punching a spectator.

The fine matched the highest in league history. The suspension was the second longest.

Maxwell said Thursday that he will appeal.

Red Thorn, the NBA's vice president for operations, said Wednesday that the incident, which occurred during a game in Portland two nights earlier, was unprecedented.

"We've never had anybody go into the stands, unless it was a fight among players that spilled over into the seats," he said.

Maxwell must meet with NBA officials during his suspension. A decision will then be made regarding his return to active status after 10 games have passed.

The suspension, without pay, began with Wednesday night's game in Sacramento. Maxwell's ejection from the Portland game carried an additional, automatic \$1,000 fine.

Maxwell left the team Wednesday afternoon, and team officials said they did not know where he was.

His teammates declined to comment on the suspension. The star center, Hakeem

Olajuwon, said, "I want to comment when there's good news." Thorn announced the decision after league officials examined videotape from a freelance television cameraman. People who had seen the video said it clearly shows Maxwell connecting with right-handed punch to the jaw of the spectator, Steve George.

Maxwell, who has a notoriously bad temper, went a dozen rows into the stands to get at George, 35, during the third quarter of Houston's 120-82 loss to Portland.

The only longer suspension in league history was that of Kerman Washington. He was suspended for 26 games during the 1977-78 season for punching an opposing player, Rudy Tomjanovich, who is now the Rockets' coach.

"We understand that Max's return depends on appropriate behavior and his meeting with league officials," Tomjanovich said. "In the meantime, he will continue to be a part of our team at practice and at team meetings. I look forward to him getting this resolved with the league."

Three other players have been fined \$20,000: Bill Laimbeer (1990), Charles Barkley (1990) and Greg Anthony (1993).

Barkley also was fined \$10,000 and suspended for a game in 1991 for spitting at fans. The target was a heckler but he hit an 8-year-old girl instead.

Rockets Win Anyway,
As Olajuwon Steps In

The Associated Press
Playing without their second-leading scorer didn't bother the Houston Rockets. Because their No. 1 scorer, Hakeem Olajuwon, was at his best.

Olajuwon had 31 points and matched his season highs with 17 rebounds and eight blocks Wednesday night as the defending NBA champions posted a 97-86 victory over the Kings in Sacramento.

It was Houston's first game since guard Vernon Maxwell

highest scoring tandem, were held to a total of 19 before sitting out the fourth quarter.

Celtics 75, Cavaliers 67: After scoring only 25 points in the first half, Boston came back to win the defensive duel.

Several records were set: The 67 points matched the fewest ever in a game by Cleveland, and both teams tied franchise marks for fewest points in a half. After Boston got only 25 in the first half, Cleveland scored only 27 in the second.

Knicks 96, Pacers 77: Patrick Ewing had 24 points, a season-high 22 rebounds and five blocks as visiting New York beat Indiana for the 12th time in their last 13 regular-season meetings.

John Starks also had 24 points, including five 3-pointers, for the visiting Knicks, who overcame an early 14-point deficit. Reggie Miller scored 22 points for Indiana.

Lakers 115, Spurs 99: Anthony Peeler scored 14 of his 26 points in the last quarter as Los Angeles ended San Antonio's eight-game winning streak.

Vlade Divac had 23 points, 15 rebounds and 8 assists for the Lakers, who won their third in a row without two-thirds of their starting frontcourt.

The Spurs' center, David Robinson, left the game with a mild sprain of his right ankle in the third quarter, and teammate Dennis Rodman was ejected in the fourth quarter after being called for a flagrant foul.

The Cavaliers had five scor-

ers in double figures as they beat their Atlantic Coast Conference rivals for the seventh time in eight games.

Jason Williams had 13 points to lead Virginia, getting six in a 16-4 run to open the second half.

College Highlights

as the Cavaliers took a 46-36 lead. The closest Wolfpack got the rest of the way was 58-53 with 1:35 left, but Virginia made four of six free throws.

No. 10 Syracuse 100, Providence 76: Lawrence Moten matched his career-high with 32 points as the Orangemen beat their Big East opponent for the 14th time in 15 games at the Carrier Dome. Moten is within 20 points of Derrick Coleman's

school scoring record of 2,143.

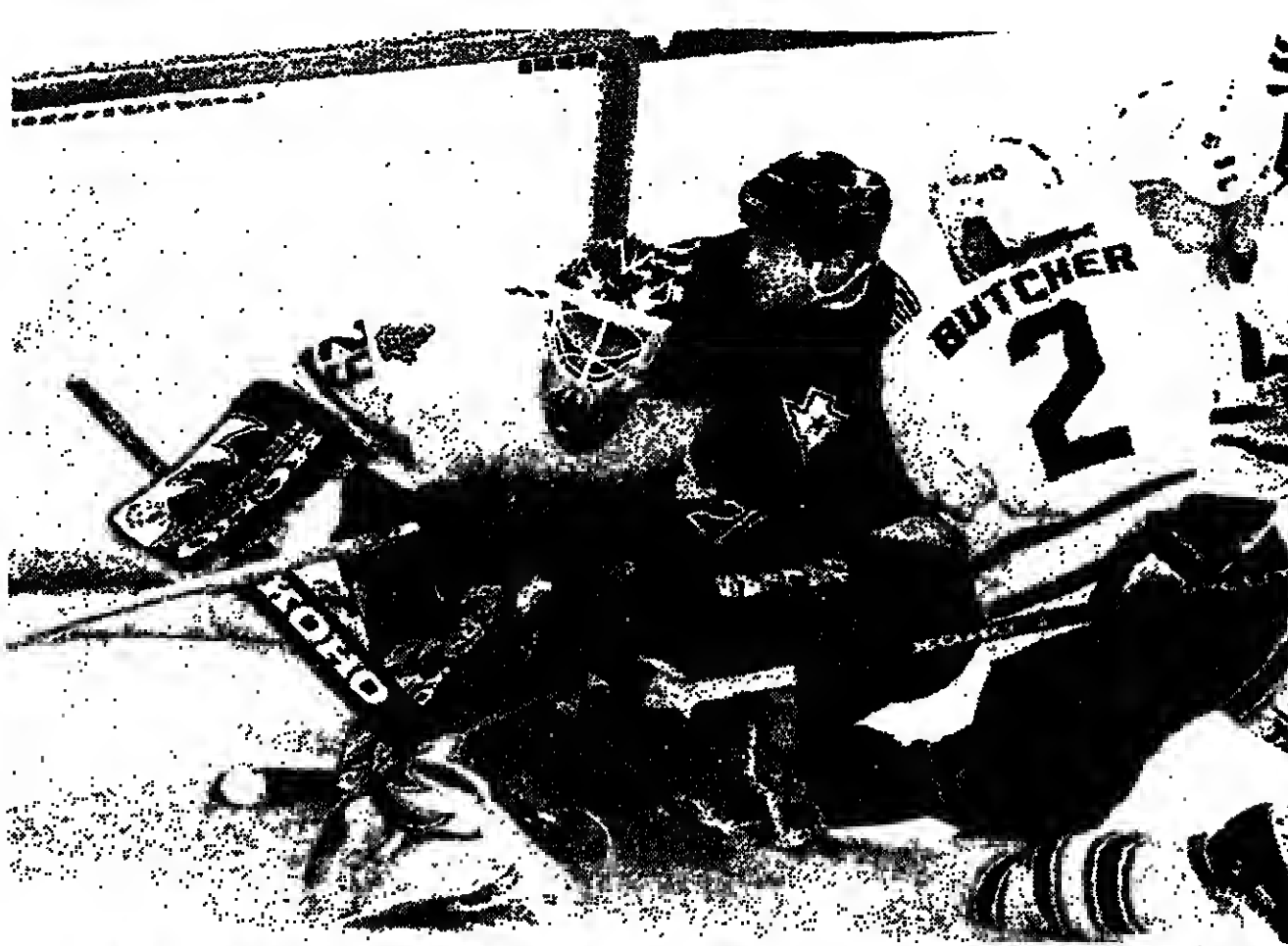
Florida St. 69, No. 11 Wake Forest 67: James Collins's driving jumper with 22 seconds left gave the Seminoles an ACC victory at home. Randolph Childress made two free throws with 51 seconds left to cap a 7-0 run that had pulled Wake Forest into a tie at 67.

No. 13 Missouri 59, No. 19 Iowa St. 56: Paul O'Liney, playing despite an upset stomach caused by medication for the extraction of two wisdom teeth on Monday, scored six of his 20 points in a 13-0 run that gave the host Tigers the lead after trailing by 12 with eight minutes to go.

The Tigers also set a school record with 11 blocked shots, five by Sammie Haley.

Boston College 78, No. 20 Georgetown 67: Danya Abrams scored 29 points and the Eagles pulled away from a 64-64 tie with an 11-0 run. The Hoyas' only points over the final three minutes were a 3-pointer by Irvin Church with 14 seconds to go.

Freshman guard Allen Iverson got 20 points, but the Hoyas have lost three in a row and have not won at Boston College since the Eagles moved into the Conte Forum in 1991.



Mats Sundin (right) came to the aid of the Leaf's goalie, Felix Potvin, before he beat the Stars with 1.6 seconds to play.

Amid Power Plays, Sundin Takes It Easy

The Associated Press
On a night of down-to-the-wire finishes in the National Hockey League, there wasn't a game more dramatic than the one between the Toronto Maple Leafs and Dallas Stars.

"We played a strogg game but I wish the game had started two seconds earlier," the Stars' coach, Bob Gainey, said following a 3-3 tie in Toronto.

The Maple Leafs salvaged the draw when Mats Sundin flipped the puck over sprawled goaltender Andy Moog with 1.6 seconds left in regulation.

"I think there were four guys laying on top of (teammate Dave) Andreychuk and they didn't pay too much attention to me," Sundin said.

With Toronto goaltender Felix Potvin on the bench in favor of an extra attacker, the Leafs

had blitzed the Dallas crease. Moog was lying along the goal line as the puck bounced around at the foot of the crease. Sundin, free to one side, lifted it under the crossbar just before time expired.

The Stars had lost four of

their five previous games, so they were happy with the point.

"We've got to walk before we can run," Moog said. "We've had a tough time lately so I think that's a good point for us, no matter how it ended."

Jets 3, Oilers 3: Teremu Selanne's tying goal in Edmonton was his second of the game, both coming on the power play, and gave him 17 points, for a tie with Quebec's Joe Sakic as the NHL scoring leader.

"When the team isn't playing so well, you can't be so happy," said Selanne, whose Jets have managed just two victories and three ties in 10 games.

Rangers 5, Capitals 4: In New York, the home team won as Brian Leetch scored on a power play with 4:19 left.

Leetch's game-winner, and his first goal of the season, capped a rally that saw the Rangers come back twice from two-goal deficits, then from a one-goal deficit in the third.

Sergei Zubov had a goal and three assists for the Rangers, who had four power-play goals and a shorthanded goal — by Mark Messier — to three power-play goals for Washington.

Peter Bondra scored Washington's third power-play goal, and his second of the night, at 3:46 of the last period for a 4-3 lead.

Nordiques 3, Whalers 2: Mike Ricci broke a tie in Hartford with the first of Quebec's two power-play goals in the third period.

Valeri Kamensky added another power-play goal at 10:43, which ended up being the game-winner when Paul Reinhart scored for Hartford with six minutes left.

Canadiens 4, Senators 2: In Ottawa, Brian Bellows continued his scoring binge with two goals for Montreal. The veteran left wing, scoreless through the first six games, has five goals in his last three.

Thursday, the Canadiens acquired high-scoring right wing Mark Recchi from the Philadelphia Flyers in exchange for defenseman Eric Desjardins and forwards Gilbert Dionne and John LeClair.

SIDELINES

Fogdoo Is Said to Improve, Slightly

STOCKHOLM — Surgeons have reduced the pressure on Thomas Fogdoo's spinal cord, but several days will be needed to see if the 1993 World Cup slalom champion has permanent damage, the Swedish team's physician said Thursday.

"The contusion of the spinal cord can sometimes disappear when the swelling has reduced," said the doctor, Goran Skog. He added that, mentally, Fogdoo was "not very well."

Fogdoo, 24, apparently hit a tree adjacent to a training course at the northern Swedish resort of Aare on Tuesday, then underwent four hours of surgery Wednesday.

Strawberry Admits Evading Taxes

WHITE PLAINS, New York (AP) — Darryl Strawberry, the eight-time All-Star suspended 60 days for violating the major leagues' drug policy, pleaded guilty Thursday to tax evasion.

His plea, expected as part of a bargain with prosecutors, said he failed to pay between \$75,000 and \$120,000 in taxes between 1986 and 1990. Strawberry had pleaded innocent in December to the charges, which said he hid more than \$500,000 received from memorabilia shows and personal appearances.

IAAF Says 5 Have Failed Drug Tests

MONTE CARLO (AP) — Five track and field athletes, two Americans, a Jamaican and an Ecuadorian, have failed drug tests and been suspended pending hearings with their national federations, the IAAF said Thursday.

It said that U.S. discus thrower Mike Gravelle, U.S. heptathlete Gea Johnson, Jamaican sprinter Aston Morgan, Lithuanian 800-meter runner Dalia Matuseviciene and Freddy Fernando Caiza of Ecuador face four-year bans.

For the Record

The NCAA football rules committee has recommended that a tiebreaker system be used in bowl games beginning next season; final approval is up to the NCAA executive committee. (AP)

Olivier de Kersauson, the French yachtsman, and five crew members embarked in the high-tech trimaran Lyonesse des Eaux in an attempt to break the around-the-world sailing record set last year by New Zealander Peter Blake. (AP)

CROSSWORD

ACROSS

1 Toasty

3 Pack in

5 Almanac tidbit

13 "Heat of the Moment" rock group

14 Used high beams, perhaps

15 Stern

16 Item in a gliblets package

17 Engine sparkers

18 Aimless

19 Run off

20 Came to the rescue

21 The Breadbasket of America

22 Pseudopod organisms

23 Bronze place

24 Bobby's follower?

25 Stepped-up pace

26 Sty chow

27 Pray for a miracle

28 Acrobatic acid, for one

29 Kachina doll makers

30 Hands up the ball

31 In other words

32 Cicero's birthplace

33 Mercury, e.g.

34 Northern abodes: Var.

35 Statue outside Three Rivers Stadium

36 Initials on old meeting halls

37 Industrialist Schindler

38 Resort near Copper Mountain

39 "Whip It" band

40 Choice

41 Sundance Kid's gift

42 Giver of regards

43 Lavish affection

44 Time for a whistle

DOWN

1 Shortage

2 Offshoot

3 Basketball's Barry

4 Waste no time

5 Ravel's "Daphnis et"

6 Vacation purchase

7 Celeste being

8 U.S. Army gear

9 John Glenn capsule

10 Yellow-lever mosquito

11 Arum fly

12 Headlock?

13 Bone china

14 Bit of regalia

15 Cynical laugh

16 As Long — Needs Me ("Oliver") song

17 Gaze dreamily

18 Fair

19 Hagar's daughter, in the comics

20 Kit Carson

21 Enemy of Thor

22 Denial's command

23 Elitist real.

24 Once

25 Isolated, in a way

26 Recita in a monotone

27 Panacea

Solution to Puzzle of Feb. 9

BOGS COMA MUSIS

UTAH SHIES ENTIO

RILE WACRUSTYLER

PSALTERY WAIVER

LEARN SWELTER

KANGAROOMIE

IBRAM NURTURED

SLAM GETTY PELE

SERENATA ASPEN

DEWER JAMES

MADAMES MOJOR

AUCIE GRENEBLE

JAGUARDIAN KEYS

OMIT CISCO EARP

ROITE ANITE STAY

Clinton's Plan
To Solve Strike
Appears Doomed

By Murray Chass
and Michael Wines
New York Times Service

WASHINGTON — From the bargaining table to the mediator's office to the White House to Congress, the strike that defies settlement continued gathering potential outlets for failure.

While President Bill Clinton sent his binding-arbitration legislation to Capitol Hill and Labor Secretary Robert B. Reich began campaigning publicly for it, it was meeting opposition in Congress, and negotiators for the striking players and owners left town.

The owners and players will be back to lobby for and against the bill, which would set up a three-member panel of independent arbitrators to choose a solution to the strike and impose it, but their travel plans do not include any visits to the bargaining table.

Republicans insisted so much that Mr. Clinton's proposal for a legislated end to the strike was the wrong solution, offered at the wrong time.

But they held out a faint prospect that a right time for congressional action might come later, if the players and the 28 team owners continue their impasse and a second season of baseball is even more seriously imperiled.

There was also renewed talk, by Democrats and at least one Republican, of legislation to lift baseball's exemption from federal antitrust laws so that players could charge the team owners in court with unfair labor practices.

The Republican leaders of the House and Senate met with the federal negotiator in the strike, Bill Urey Jr., for a first-hand account of the impasse. Minutes after the meeting, the Senate's majority leader, Bob Dole of Kansas, said President Clinton's request was "premature."

Mr. Clinton, too, received mixed reviews. John Harrington of the Boston Red Sox, chairman of the owners' negotiating committee, said: "I think the president found out that he shouldn't have been involved." But players emerged from the White House with glowing praise for Mr. Clinton and Vice President Al Gore.

In conversations with reporters, Mr. Reich related an observation Mr. Urey offered at the White House on Tuesday night, quoting him as saying, "In my decades of dealing with labor-management disputes, I have never dealt with a dispute that had so much rancor and bitterness and distrust."

With spring training scheduled to begin Thursday, the clubs will continue to plan for their teams of strikebreaking players.

It is not a prospect that will gain the administration's endorsement.

"The administration is opposed to the permanent replacement of striking workers," Mr. Reich said. "This is a policy, a management decision, that has had very negative results wherever it's been tried. It undermines worker-management relations. It undermines trust with a lot of negative connotations for the industry itself."

The striking players are expected to soon complete details for their own games. They have been putting together a plan to have 100 to 150 of the sport's best players participate in weekend games throughout the country.

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